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2 November 1993

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General

UN Passes Resolution on DPRK Nuclear Issue

Cooperation With IAEA Urged

OW0211035893 Beijing XINHUA in English 0349
GMT 2 Nov 93

[Text] Seoul, November 2 (XINHUA)—South Korea urged the Democratic People's Republic of Korea (DPRK) Tuesday [2 November] to respect the United Nations General Assembly resolution on its nuclear situation.

"We take note that the UN General Assembly confirms once again, in the name of all its members, North Korea's international obligations and urges it to immediately cooperate with the implementation of the (nuclear) safeguards agreement," said a Foreign Ministry spokesman.

The UN General Assembly adopted a nine-point resolution in New York Monday, urging the DPRK "to cooperate immediately" with the International Atomic Energy Agency (IAEA) on nuclear inspections.

On April 1, the UN Security Council adopted a resolution asking the DPRK to comply with IAEA safeguards. This is the first time that the UN General Assembly has passed a resolution on the matter.

"We urge North Korea to respect this will of UN members and quickly resolve suspicion of nuclear development, and at the same time faithfully implement the inter-Korean agreement on denuclearization of the Korean peninsula," the spokesman said.

PRC Envoy Explains Abstention

OW0211051093 Beijing XINHUA in English 0456
GMT 2 Nov 93

[Text] United Nations, November 1 (XINHUA)—An annual report of the International Atomic Energy Agency (IAEA) was passed today by the 48th Session of the UN General Assembly.

Nine countries abstained in voting, as the report contains the disputed nuclear issue concerning the Democratic People's Republic of Korea (DPRK). The DPRK cast a negative vote.

The nine countries which abstained included Angola, China, Cuba, Ghana, Guinea, Iraq, Senegal, Mali and Vietnam.

The IAEA report asserted that the DPRK "had failed to discharge its safeguards obligations" under the 1970 Nuclear Non-Proliferation Agreement and had "recently widened the area of non-compliance."

Pak Kil-yon, the DPRK's permanent representative to the UN, protested the adoption of the resolution on the report.

"The adoption of the 'resolution' aimed at putting pressure on the DPRK is a challenge to its efforts for dialogue and negotiations," he said.

"Putting pressure on us is nothing but an intentional act to frustrate negotiations, at a time when the DPRK-U.S. talks to resolve the 'nuclear issue' are going on," he added.

A Chinese deputy to the meeting explained China's position on the matter.

He expressed at first China's satisfaction with the work done by the IAEA, saying China's abstention does not mean any change in its view with regard to the agency.

Then on the DPRK nuclear issue, the Chinese deputy said that "the General Assembly resolution on the report of the IAEA should not involve specific issues related to the work of the agency, especially such contentious issue as the nuclear issue in Korea."

"Otherwise, it would only complicate the problem and not be conducive to seeking solution," he added.

"Now that the issue has already developed into one amongst the DPRK, the United States, the Republic of Korea, and the IAEA," he said, "a fair, rational and comprehensive solution should be found through consultations and negotiations among them on the basis of equality and mutual respect."

International Seminar on Nuclear Energy Reported

HK0211095093 Beijing CHINA DAILY in English
2 Nov 93 p 1

[By staff reporter Xie Liangjun: "Nuclear Energy Use Is Topic of Seminar"]

[Text] Shanghai—The need to ease public fear about the peaceful use of nuclear energy topped the agenda yesterday of an international conference here.

The Asia-Pacific Regional Seminar on Nuclear Energy, the first held in China, is co-sponsored by the International Atomic Energy Agency (IAEA) and the China National Nuclear Corporation (CNNC).

More than 60 scientists, officials and representatives from IAEA and 13 countries in the region, including Bangladesh, Indonesia, Japan, the Republic of Korea, the Philippines, Vietnam and some Western nations are attending the seminar.

It opened yesterday amid growing opposition among environmentalists to building nuclear power stations.

Recent public fear of the nuclear power establishment was sparked primarily by the nuclear power plant accident at Chernobyl in 1986, although IAEA officials have said that it happened "in very exceptional circumstances."

During the three-day public information seminar, 10 Chinese and overseas scientists and officials will deliver reports on nuclear energy techniques with the hope that more and more people can be convinced that nuclear energy is safe and environmentally-acceptable.

Zhao Hong, CNNC Vice-President, said at the opening ceremony that one of the main factors obstructing nuclear

energy development is public dread of the perceived consequences, adding that public acceptance is an important task facing the industry.

He said that China attaches great importance to promoting public acceptance. Measures have included public education on nuclear energy through exhibitions, lectures and popular science books, organizing public visits to nuclear power plants and launching information campaigns for those living around power plants about radiation, nuclear safety and accident emergency.

All these measures, Zhao said, have played positive roles in the construction of Qinshan and Daya Bay nuclear power plants.

David Kyd, Director of the Public Information Division of IAEA also expressed his satisfaction with the Chinese Government's "keen awareness of safety issues in introducing its initial nuclear power plants and in training operators."

He said that his agency has been happy to serve in a supporting advisory capacity and is ready to render further assistance "whenever asked to do so."

UN Envoy Notes 'Concern' on Crime Prevention

OW3010025593 Beijing XINHUA in English 0236 GMT 30 Oct 93

[Text] United Nations, October 29 (XINHUA)—Crime prevention should be one of the priorities of the U.N. system in the field of crime prevention and criminal justice, a Chinese delegate told the third committee of the U.N. General Assembly today.

Speaking on the item of crime prevention and criminal justice, Lin Chongfei, of the Chinese delegation, said the tendency in the work of the U.N. to emphasize the former at the expense of the latter should be a subject of great concern of the international community.

"Combating crimes is undoubtedly very important, but crime prevention is even more important," he said. He hoped that the U.N., its members and institutes concerned will attach greater importance to the ways and means of crime prevention.

He said the prevention, control and combat of crimes rely mainly on national efforts, international cooperation against all types of crimes is also extremely important, especially against organized transnational crimes where unilateral efforts by any single state are no longer sufficient.

China hopes that the U.N. and its member states will adopt effective measures of international cooperation in crime prevention and criminal justice so as to curb the spread of international crimes.

On the situation in the field of criminal justice in China, Lin said that reform has brought about rapid economic development, a steady improvement of the general standard of living as well as tremendous progress in legislation and law enforcement.

However, he said, since the new economic system and legal institutions are not yet perfect, China is facing new problems in the field of criminal justice, and certain types of crimes are on the rise, among them economic crimes.

Lin also said the Chinese Government has adopted decisive and forceful measures against economic crimes and is determined to achieve marked results in a short period of time.

UN Delegate Urges Cooperation To Ban Narcotics

OW0111050693 Beijing Central People's Radio Network in Mandarin 1700 GMT 27 Oct 93

[From the "International News" program]

[Text] On 26 October, Bai Jingfu, PRC special adviser attending the 48th United Nations General Assembly, called on the international community to further strengthen international cooperation in banning drugs.

Bai Jingfu is vice chairman of China's National Narcotics Control Commission. In his speech, he emphatically pointed out: When studying a worldwide ban on narcotics and formulating policies, we must give full consideration to the following two decisive factors: 1) There are still a lot of places where narcotics are being produced; and 2) there is still a large consumers' market for narcotics. Therefore, he said, we must consider reducing the illegal use of narcotics as important as taking stern steps to crack down on trafficking and reducing illegal production.

Bai Jingfu suggested that in strengthening cooperation to ban narcotics, the international community should formulate an appropriate policy and make arrangements for dealing with the problem in light of the overall situation in the world today. We must take different geographical regions and different characteristics into consideration when we concentrate our efforts on dealing with the problem.

After delivering his speech, Bai Jingfu explained the important measures taken by the Chinese Government and its significant achievements in banning narcotics. He said: The problem in China at present is mainly crimes committed by transit passengers. The Chinese Government has taken a stern attitude in cracking down on such crimes.

China To Mark International Science, Peace Week

OW2910134793 Beijing XINHUA in English 1230 GMT 29 Oct 93

[Text] Beijing, October 29 (XINHUA)—Commemorative activities for the Fifth International Week of Science and Peace will be carried out next month throughout China.

As part of the international week of science and peace to be held all over the world, the activities will be co-sponsored by the China Association for Science and Technology (CAST), the Chinese People's Association for Peace and Disarmament and 43 other social organizations.

Wang Zhiguo, head of the secretariat of CAST, said here today that the activities will include a stamp exhibition, a festival on agro-technology, and a seminar on training qualified personnel and social responsibilities.

Moreover, there will be a symposium on scientific progress and economic development, a get-together between scientists and skilled workers, and lectures delivered by experts on environmental protection. A series of exhibitions and performances will also be on the schedule.

In December 1988, the 43rd General Assembly of the United Nations passed a resolution, calling on all member states to hold "International Week of Science and Peace" in November each year thereafter.

The move was aimed at showing how the progress of science and technology plays a role in safeguarding world peace and promoting social and economic development.

So far China has conducted such activities four times, attracting several million participants.

The activities had received broad public and party and government support in China, according to Wang.

UNICEF Commends Child Development Efforts

*OW2910123493 Beijing XINHUA in English 1142
GMT 29 Oct 93*

[by Li Wei]

[Text] Beijing, October 29 (XINHUA)—China is taking important steps to keep its promise to its children, said Farid Rahman, representative of the United Nations Children's Fund (UNICEF) to China, in Beijing recently.

In an interview with XINHUA, Rahman said that China has led developing world for years in providing its children and women with basic education and health services.

But he noted that there is much more to be done in China to promote child development.

According to him, China played a major role in drafting the Convention on the Rights of the Child as well as encouraging approval of the convention by the United Nations General Assembly.

Chinese Premier Li Peng signed the declaration for the World Summit for Children, on behalf of the Government of China on March 18, 1991. The Government of China has ratified the Convention on the Rights of the Child and has approved a National Program of Action for Children (NPA), with 10 major goals to be achieved by the year 2000. In addition, it passed a comprehensive national law on the protection of juveniles in January 1992, aimed at protecting the rights of children in various fields.

During the past four decades, China's infant mortality rate has declined from 200 to about 45 per 1000 live births. Severe malnutrition among children under five years old has been virtually eliminated. Child vaccination coverage is 95 percent and primary school enrollment is 97 percent nationwide.

"These are unprecedented achievements for a country with 1.1 billion people, about half of whom are children," Rahman said.

However, according to Rahman, for China as for other countries there is much more to be done to establish a system monitoring children's situations and reaching those children in need who for various practical difficulties are presently hard to reach.

With China's commitment since liberation to the rights of its women, the need for greater educational opportunities for many girls in remote rural areas must be addressed and solved in this country, said Rahman.

China has made commendable progress in the baby friendly initiative, which provides for nursing mothers to stay together with their infants after giving birth, by certifying hospitals as baby friendly within the past one year. However, Rahman said, strenuous efforts will be needed to achieve the national target of making all hospitals in China baby friendly, which will be a major step in promoting breastfeeding.

What's more, according to Rahman, China must strengthen the elimination of iodine deficiency disorders (IDD), which especially endanger the health of women and children.

Statistics show that over one billion people live in iodine deficient regions worldwide. Among them are 400 million living in China.

Rahman said that in 1992 UNICEF, with the United Nations Development Program (UNDP) and the World Health Organization (WHO), jointly funded a four-year project to control IDD in China. The project is set to eliminate IDD in the country by 2000.

Relative strategies should be developed in China so that the family as a unit can be strengthened and supported for the total development of Chinese children, said Rahman.

According to the representative, the Government of China and UNICEF are entering into a new cycle of cooperation commencing in 1994. This cycle incorporates national goals for children from now to the year 2000, as for example, the universalization of basic education, as well as intermediate goals for 1995 such as the eradication of polio and elimination of neonatal tetanus.

He believes that with its deep commitment to its children, adequate resources and mass support, China will always be able to ensure a prosperous future for its children.

Delegate Addresses Public Administration Conference

*OW0111145893 Beijing XINHUA in English 1417
GMT 1 Nov 93*

[Text] Tehran, November 1 (XINHUA)—China hopes to enhance international cooperation in public administration and human resources management in a bid to boost economic development in the eastern region, a high-ranking Chinese official said here today.

Zhao Zongnai, vice-minister of personnel, said at the 15th general assembly of the Eastern Regional Organization for Public Administration (EROPA) that public administration and sustainable development is a global issue affecting balanced economic and social development.

But more importantly, he noted, it is one that particularly concerns the governments and their public administration fields in the eastern region, whose members are mostly developing countries or regions.

To meet the demands of a socialist market economy, Zhao said, the Chinese Government is currently implementing a nationwide reform in government structure and introducing a system of public service.

In this process, he said, China also faces problems in public administration management and sustainable development. "We look forward to sharing our experiences with colleagues from other countries," he added.

The 15th general assembly conference of EROPA was opened here today by Iranian Vice President Hasan Habibi.

The organization was officially formed in 1960 in Manila, the Philippines, with a membership of 13 countries, mostly in Asia.

Some 80 experts and officials from 14 countries and some UN organizations attended the eight-day conference.

The conference was aimed at bringing to light the present developments in the attempts of various countries to reshape their administrative systems to foster sustainable development.

The participants will discuss the experience of various countries in various aspects of developments.

Papers presented to the conference will focus on five aspects: culture and development, administrative development and political and social objectives, achieving development and modernization of management, administrative development toward economic progress and environmental protection, and changes and trends in public administration.

In today's session, EROPA Secretary General Raul P. de Guzman made a report on the organization's activities during the past years and its plans in the future.

China 'To Crack Down' on Pirated Recordings

OW0111085593 Beijing XINHUA in English 0759
GMT 1 Nov 93

[Text] Beijing, November 1 (XINHUA)—China has vowed to cooperate with international forces to crack down on pirated recordings.

China is supporting the fight against piracy of phonographic products, Liu Xiliang, vice minister of the Ministry of Radio, Film and Television, told the 15th International Federation of the Phonographic Industry (IFPI) Asia-Pacific regional council meeting, which opened here today.

"China's record and video companies are paying great attention to the protection of phonographic copyrights in both domestic and international terms," he said.

In recent years, China issued its first copyright law and joined many international copyright conventions, including the Geneva Phonograms Convention and the Berne Convention.

"More Chinese record companies will become members of IFPI, following the footsteps of the China Record Company, which joined the organization last year," Liu said. "And this will bring China's anti-piracy activities in line with international norms."

The China Record Company is the country's largest national firm to fabricate and reproduce phonographic products.

Its joining the group has not only provided China its first seat in IFPI, the world's anti-piracy leader, but has also given the country an opportunity to hold the regional council meeting.

A huge market for phonographs and China's recent progress in the protection of copyrights have also attracted overseas firms in the recording industry, the meeting reported.

Participants in the meeting maintained that the world phonographic industry is endangered by piracy, many cases of which have been found in Asia.

The meeting, attended by 19 countries and regions in the Asia-Pacific region, urged international cooperation to wipe out piracy.

IFPI, which has 1,000 record company members worldwide, has established three representative offices in Beijing, Shanghai and Guangzhou to help China launch an anti-piracy campaign, the meeting revealed.

Reportage on GATT Talks, Blair House Accord

Talks 'Failed to Make Any Progress'

HK0211062493 Beijing SHIJIE ZHISHI in Chinese No
20, 16 Oct 93 pp 12-13

[By Wang Quishan (3769 2710 1472): "'With One Man Guarding the Pass, 10,000 Are Unable To Get Through'—The Blair House Accord and the Uruguay Round of Talks"]

[Text] The talks on the Blair House Accord—the U.S.-European trade negotiations on agricultural products—held in Washington on 27 September between the trade negotiators of the United States and the EC failed to make any progress, and the Uruguay round of multilateral trade talks once again is covered by an ominous, dark shadow.

The Blair House Accord

The Uruguay round of talks has been the most extensive, profound, and complicated global multilateral trade negotiations since the founding of GATT more than 40 years ago. Seven years have passed since the talks started in Punta del Este of Uruguay in September 1986, and they have been held and suspended from time to time. As there are serious

disagreements between the United States and the EC, particularly the stalemate on the subsidies of agricultural products and trade issues between the two sides, the talks have come to a deadlock. After intense bargaining between the United States and the EC, they finally reached a principled agreement at Blair House, near the White House in Washington, on 19 November 1992, so it is also called the "Blair House Accord." In accordance with the provisions of the accord, within six years from January 1994, the export volume of the EC's agricultural products will be reduced by 21 percent, the growing area of oil-bearing crops will decrease by 15 percent, and the EC's export subsidies to agriculture will be cut by 36 percent during this period. At that time, the world held that since the principal obstacle in the Uruguay round of trade talks had been removed, the talks could be wound up at a foreseeable date. However, it was unexpectedly, flatly, and immediately rejected by France, the second largest exporting country of agricultural products in the world, as it felt that the EC had made too many concessions in the accord, while the United States did not make appropriate concessions. Therefore, France called for holding negotiations again.

On 7 July this year, when the G-7 Summit opened in Tokyo, the United States, Canada, Japan, and the EC reached an agreement package on market access, under which the tariffs on medicine, building machinery, medical instruments, steel, beer, furniture, agricultural machinery, whisky, and others would be abolished, and the tariffs on some products would be reduced by one-third to one-half. This major achievement has broken through the deadlock of the Uruguay round of talks. The new Director-General of GATT, Peter Sutherland, and the leaders of G-7 nations all expressed their wishes to wind up the Uruguay round of talks before the end of this year. However, conflicts between the EC, headed by France, and the United States on the trading of agricultural products once again became an obstruction. France rejected the abovesaid Blair House Accord from the very outset, and this time it even threatened to exercise its veto power within the EC.

France Is Fighting in Isolation

France is the largest exporting country of agricultural products in the EC, and is the largest beneficiary of the EC agricultural policies. At present, grain produced in France accounts for 35 percent of the total grain output in the EC. In 1991, France exported 4.5 million tonnes of grain, equivalent to 43 percent of the world's grain market. But, according to the Blair House Accord, France has to reduce its export of grain, totalling several million tonnes, in the next few years. Therefore, France felt that it was the victim of the accord and called for holding negotiations again. French Prime Minister Edouard Balladur gave a warning in mid-September by saying: "Our farmers must not be taken hostage," and "if someone wants to impose an accord on us which runs counter to French interests, France will exercise its veto power."

Over the past six months or so, France has frequently lobbied in the capitals of various EC countries and sent two memorandums to its European partners to indicate the "coincidence of French position with that of Europe."

France stressed the necessity of "revising, supplementing, and explaining" the Blair House Accord. It can be stated that the French efforts have yielded a few results, as Spain, Greece, Ireland, Italy, and Belgium, which have common agricultural interests with France, have supported and sympathized with its position in varying degrees. However, the United Kingdom, the Netherlands, and Denmark which urgently wish to conclude the Uruguay round of talks before the end of this year so as to accelerate their economic recovery, are opposed to holding negotiations again. John Major even threatened that "if Paris goes on standing in the way," "Britain will not cooperate with it in the development of the EC." Germany adopted a compromise attitude. Although it appreciated French difficulties, it did not favor holding negotiations again except for agreeing to "discuss" the matter with the United States. The EC is in a dilemma for the moment. If negotiations are held again, the trade war between Europe and the United States will certainly be aggravated, and if France is excessively accommodated, the internal conflicts within the EC will be intensified. Since the EC's vitality has been considerably sapped due to the impact of the monetary upheaval, the EC actually cannot stand any further setback. In order to coordinate its policies, the foreign and agricultural ministers of the EC countries met in Brussels on 20 September. After long hours of intense debate, they finally decided on the principles that the guarantee of agricultural income, the priority given to the EC, and the international commitment made by the EC should be compatible with its collective agricultural policies, the position of the EC agricultural products in the international markets should be ensured, and talks on various areas should be conducted while the Uruguay round of trade talks should be concluded in a comprehensive and balanced fashion. The meeting called on the EC to "clarify, explain, and supplement" the Blair House Accord with the United States, and it is all the more necessary to "discuss" the issue of subsidizing agricultural products again. After nearly 12 hours of fierce wrangling, various EC countries were satisfied with the compromise agreement. The French Foreign Minister Alain Juppe said: "We have obtained what we wanted to."

But the talks between the EC and the United States on 26 September failed to make any progress. The U.S. trade delegate Mickey Kantor said: The United States did not change its stand on the issue of the subsidies for exporting agricultural products, and is opposed to holding negotiations on this again or making any amendment to the Blair House Accord. Some media in the West held that whether the Uruguay round of talks will be successful or not depends on France and the United States. As a matter of fact, the Uruguay round of talks has been simplified as a new trade conflict between France and the United States through the EC.

The Future Is Hard To Tell

Alongside the aggravated economic recession in the Western industrial countries, the voices calling for concluding the GATT talks, which have dragged on for eight years, as quickly as possible, are louder and louder. The Tokyo Summit held in July stated that all parties would do all they

can to wind up the talks before 15 December 1993. However, if France really wants to ultimately exercise its veto power, (according to the agreement reached by the EC at the Brussels Meeting in 1965, which stipulates: On issue concerning the life and death of a signatory country, it has the right to exercise its veto power to protect its interests), then, sticking to the principle calling for unanimous agreement on major issues, the EC will be unable to sign a GATT agreement. Thus, the wishes to wind up the Uruguay round of talks as scheduled will vanish like soap bubbles. Indeed, this is what we call "with one man guarding the pass, 10,000 are unable to get through."

Time is short between now and the deadline for winding up the GATT talks at the end of this year. It is very unlikely that the U.S.-European negotiations on agriculture will be reopened as there are lots of difficulties, and it will be very hard to realize their aspirations of concluding the Uruguay round of the multilateral trade talks by the end of this year unless both sides make appropriate concessions on the negotiations.

U.S. Under 'Massive Criticism'

*OW0111212993 Beijing XINHUA in English 2114
GMT 1 Nov 93*

[Text] Geneva, November 1 (XINHUA)—The United States was under massive criticism of the participants of the Uruguay Round of trade talks in Geneva today for its positions in the talks.

The criticism came at a stock-taking meeting of the trade negotiations committee for the round from 116 countries and regions as the seven-year-long round has only 45 days to run before its deadline December 15.

The participants found there has been some progress in the talks but no breakthrough has been made so far in the market access negotiations under the General Agreement on Tariffs and Trade (GATT).

Moreover, many representatives expressed their serious concerns over two new U.S. proposals respectively on direct taxation and financial services, trade officials said.

On Friday [29 October], the U.S. proposed a two-track approach in financial services and the notion of different treatment to foreign companies in direct taxation.

Japan, Canada, the European Community (EC) and Brazil joined in the attack on the United States over the issue.

"Japan has serious reservations on the U.S. position in the respect of taxation," said trade officials. Japan believes that the U.S. notion will make the commitments in the services meaningless.

Meanwhile, Japan also rejected the American approach on the financial services, it could receive no form of discrimination, the officials indicated.

The Brazilian representative noted that the U.S. proposals could lead to market closure rather than market opening, discouraging the countries which are undertaking reforms in financial services.

On the creation of a multilateral trade organization (MTO), many developing nations, including Brazil, Mexico and Egypt told tonight's meeting that it is necessary to establish an institution which has strong binding.

Sources close to the meeting noted that the U.S. made a very short statement at the meeting.

"The U.S. said it is disappointed as anybody in the market access negotiations, it was disappointed as anyone that the certain problems in the services areas have led to different directions in the services negotiations," they told reporters.

Also the U.S. said that the text of the proposed MTO was "fundamentally flawed" and it will have to go forward with further ideas.

The U.S. has been opposing the creation of the MTO with strong binding power.

Peter Sutherland, director-general of the GATT, told the meeting that the next two weeks must see visible and concrete improvement in the market access area.

"I would appeal to the participants concerned to reach urgent solutions to the outstanding issues," affirmed Sutherland.

Sutherland, also chairman of the negotiations committee, reiterated that key negotiations must be finished before November 15 on the market access if the deadline December 15 is met.

Reportage on Peace-Keeping Operation in Somalia

UN Extends Mandate

*OW2910185493 Beijing XINHUA in English 1840
GMT 29 Oct 93*

[Text] United Nations, October 29 (XINHUA)—The U.N. Security Council today decided to extend the mandate of its peace-keeping operation in Somalia (UNOSOM II) for an interim period terminating on November 18, 1993.

The operation's mandate will expire on Sunday, October 31.

In a resolution adopted here this morning, the Council also requested the U.N. Secretary-General to submit, by that date, a report on the recent development in Somalia in order to enable the Council to take appropriate decisions.

Secretary-General Butrus Butrus-Ghali made a trip to Africa, Somalia included, last week. Coming back from the trip, he told the Security Council on Wednesday [27 October] that the United Nations was reconsidering its role in the war-stricken nation and other places.

He said that the U.N. mission was to maintain, not to impose peace, adding that the idea of enforcing peace had become "very difficult and we want to emphasize and underline peace-keeping."

In the meantime, the world body, at the request of the U.N. chief, was asking for more troops from member states to replace the U.S. logistics forces in Somalia, which would be pulled out of the country next March.

Recent reports said that Belgium, and possibly France and Germany, may also withdraw their troops from the country early next year.

U.S. Special Envoy To Return

OW2910223093 Beijing XINHUA in English 2140
GMT 29 Oct 93

[Text] Washington, October 29 (XINHUA)—U.S. special envoy Robert Oakley is leaving here today for continuing his mission to promote political settlement in Somalia.

Mike McCurry, spokesman of the State Department, told a regular news briefing that Oakley intends to meet with regional leaders, Somali political figures, U.N. officials and U.S. diplomats.

But Oakley has no plans to meet with General Mohamed Farah Aidid, McCurry stressed.

"He will help reenergize the political reconciliation process and consolidating the cease-fire that has been holding with some interruptions," the spokesman said.

In addition to his stop in Mogadishu, Oakley will make some additional trips in the region. But McCurry refused to disclose Oakley's specific stops because of "some reasons related to security."

McCurry noted that Oakley "will be looking specifically at the question of an independent commission that could be formed to bring together facts necessary to hold those accountable for the death of Pakistani peacekeepers on June 5 and those responsible for additional violence since then."

U.S. Weapons 'Backfire'

OW0211042693 Beijing XINHUA in English 0409
GMT 2 Nov 93

[Text] Washington, November 1 (XINHUA)—Millions of dollars worth of U.S. weapons supplied to Somalia during the Cold War appeared to backfire now on American troops, a latest official report indicates.

The report, made public today by the congressional research service, says U.S. weapons, spare parts and equipment that went to Somalia from 1981 to 1991, amounted to 154 million dollars.

The supplies ranged from armored personnel carriers, tow anti-tank missiles and 155-millimeter howitzers to 81-millimeter mortars, machine guns and recoilless rifles.

The U.S. arms began flowing into Somalia in the early 1980's when the former Soviet Union took side with this East African nation's rival, Ethiopia.

The peak period of U.S. arms supply came between 1985 and 1989, when the amount totaled 50 million dollars.

Many of the arms are believed to be still in the hands of clans after the nation was plunged into civil war in early 1992.

Recently, American troops on the United Nations' peace-making mission found stiff resistance from well-armed Somali warring factions.

Thirty-five American soldiers have been killed in Somalia in combat-related or non-combat events since last December when the then U.S. President George Bush sent troops there.

United States & Canada

U.S. Assistant Secretary of Defense Visits

Received by Liu Huaqing

OW0211060993 Beijing XINHUA in English 0552
GMT 2 Nov 93

[Text] Beijing, November 2 (XINHUA)—A top Chinese military leader today called the ongoing China visit of the assistant U.S. Secretary of Defense "a good beginning" for improving Sino-U.S. military relations.

Extending a welcome, General Liu Huaqing, vice-chairman of the Central Military Commission, made the assessment in a meeting here this morning with U.S. Assistant Secretary of Defense Charles Freeman, who is the highest-ranking U.S. defense official to visit China in the past few years.

"This visit is conducive to the enhancement of mutual understanding and improvement of relations between the military forces of the two countries," Liu said, adding, "this is a good beginning."

The international situation has been undergoing profound changes with the end of the Cold War, but wide-ranging common interests still exist between China and the United States, he said.

The Chinese leadership and government always attach importance to Sino-U.S. relations, in the belief that maintaining a good Sino-U.S. relationship is "an important matter" which not only concerns the fundamental interests of the two countries, but represents "an important factor" for safeguarding world peace and stability as well, Liu said.

Sino-U.S. relations have encountered some difficulties in the past few years, Liu said. "We appreciate the wishes expressed recently by the U.S. side for improving relations between the two military forces as well as between the two countries," a Chinese official quoted Liu as saying.

China adopts a positive attitude toward improving ties between the two countries and armies, Liu reiterated, saying he looks forward to joint efforts toward that end.

Freeman called U.S.-China relations "very important," according to the Chinese source. Only through dialogue can problems existing in bilateral ties possibly be resolved, he said.

The U.S. side is ready to resume the dialogue and maintain good relations between the two military forces, he said.

Also this morning, State Councillor and Defense Minister General Chi Haotian met with Freeman and his party, who arrived Sunday for a three-day official visit.

Yesterday Freeman held talks with Lieutenant General Xu Huizi, deputy chief of the general staff of the Chinese People's Liberation Army. They had a comprehensive

exchange of views on bilateral military relations and other issues of mutual concern, according to the Chinese official.

Also yesterday, Freeman met with Chinese Vice Foreign Minister Liu Huaqiu and Lieutenant General Huai Guomo, vice-chairman of the Commission of Science, Technology and Industry for National Defense, on separate occasions.

Ready to 'Exchange Views'

HK0211062893 Hong Kong HSIN WAN PAO in Chinese 1 Nov 93 p 1

["New Talk" column: "High-Level Military Exchanges and Sino-U.S. Relations"]

[Text] Charles Freeman, U.S. assistant secretary of defense for regional security affairs, arrived in Beijing yesterday to begin a three-day visit to China.

He is the fourth high-ranking official of the new U.S. Administration to visit Beijing in the space of two weeks. Before this, the secretary of agriculture, the deputy trade representative, and the assistant secretary of state for human rights affairs also visited Beijing. In the past three years or so, the United States has only had low-level military exchanges with China. An official at the U.S. Embassy to China said yesterday: Washington has now lifted the ban on high-level military exchanges with China and is trying to upgrade such exchanges.

According to American sources, the main purpose of Freeman's trip is to exchange views with China on bilateral and multilateral security issues. Many issues that the United States is concerned with, including regional security, peacekeeping, and China's strategic doctrine, need to be discussed directly with the Chinese military, so "the level of discussions must be upgraded."

What is noteworthy is that, almost coincidental with Freeman's China visit, U.S. Defense Secretary Aspin leaves for Asia today and will visit Japan and the ROK between tomorrow and 5 November.

Though Aspin's itinerary does not cover China, he specially mentioned, when being interviewed by a foreign journalist before his departure, that a major item on the agenda of the current military contacts between the United States and China is to exchange views on UN peacekeeping activities with the Chinese military authorities.

Aspin explained these direct discussions with the Chinese military from two angles: one, to probe the possibility of reaching a certain meeting of minds on the People's Liberation Army's strategic doctrine; two, to probe the possibility of China, as a permanent member of the UN Security Council, making contributions to UN peacekeeping efforts and even the possibility of moving toward Sino-U.S. cooperation.

These two concepts are apparently new issues in Sino-U.S. relations, especially military exchanges. They seem to be connected with changes in world politics, military affairs, and economics after the end of the Cold War and the disintegration of the former Soviet Union. The United States has at last realized that, in terms of the situation in

Asia as well as in the world, failure to consider the China factor and its strength and attempts to oppose or be hostile to China is the biggest mistake in every respect.

It is still not known how the Chinese military has responded to the United States' probing and requests in this round of bilateral military contacts and exchange of views. Therefore, any announcements and speeches after the visit are bound to attract attention from various quarters.

Though China's media have not commented on Freeman's visit so far, the English-language paper CHINA DAILY yesterday published a commentary on U.S. Deputy Trade Representative Barshefsky, who visited China last week, saying that the "positive tone" of her speech was a clear indication that the United States is turning from attacking China toward further cooperation. China is a market that will revive America's economy.

Following the four high-ranking officials' visits to China, the latest news is that U.S. Secretary of the Treasury Bentsen is also visiting China in mid November to discuss such issues as China's joining the GATT and the relaxation of exchange controls. The next thing is the meeting between Chinese President Jiang Zemin and U.S. President Clinton in Seattle scheduled for 19 November. All these signals indicate that Sino-U.S. relations are at a turning point.

Holds News Conference

OW0211084693 Beijing XINHUA in English 0837 GMT 2 Nov 93

[Text] Beijing, November 2 (XINHUA)—Charles Freeman, visiting U.S. assistant secretary of defense, said here today that he had held "very productive" talks with Chinese military leaders.

"I had a serious and very productive meeting with Lieutenant General Xu Huizi, deputy chief of General Staff (of Chinese People's Liberation Army)," he told a press conference this afternoon, before winding up a three-day official visit.

During his stay in Beijing, Freeman also met several other military leaders, including Vice-Chairman Liu Huaqing of the Central Military Commission.

These talks offered opportunities for the two sides to exchange views on security issues of common concern and on ways to improve bilateral military ties, he said.

Freeman said he had frank discussions with PLA officials on "some of the problems in our bilateral relationship" and put forth "a number of modest initiatives for military dialogue and exchanges."

"These exchanges and dialogue are all designed to promote mutual understanding and trust so that the two militaries can contribute both to improving our bilateral relations and to promoting peace and stability in a number of trouble spots in the world," he said.

However, he said that the details are still under discussion, and it is not the purpose of his tour to work out details of any program or exchanges.

Li Ruihuan Meets U.S. Entrepreneurs

OW0211073493 Beijing XINHUA in English 0717
GMT 2 Nov 93

[Text] Beijing, November 2 (XINHUA)—Senior Chinese leader Li Ruihuan said here today that he hoped the forthcoming meeting between Chinese President Jiang Zemin and U.S. President Bill Clinton would be conducive to the improvement of bilateral relations.

Li, a Standing Committee member of the Political Bureau of the Central Committee of the Communist Party of China and Chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), expressed this hope at a meeting with a group of U.S. entrepreneurs here today.

He told Dr. John Haggai, president of the Haggai Institute, and F. McCamish, president of the McCamish Group, and their party that China and the U.S. have common interests on many major issues.

Li said president Jiang will attend the informal meeting of APEC (the Asia-Pacific Economic Cooperation Organization) leaders to be held in Seattle, at the invitation of President Clinton, and meet with him.

Li described this as "very important," adding, "we hope this meeting will help improve Sino-U.S. relations."

The development of Sino-U.S. relationship will not only depend on government-to-government contacts, but also on the efforts of the people of the two countries and their exchanges in economy, culture and other fields.

Li expressed his appreciation for the work that Dr. Haggai has done during his many visits to China in actively encouraging U.S. businessmen to come to the country for study tours or investment and in promoting bilateral cooperation in various field.

He noted that over the past two years China's economy has been developing rapidly and its environment for investment has been improving markedly.

The market in China is very large, he said. "We welcome more U.S. industrialists and entrepreneurs to invest in the country and do business," Li said he wished them success.

Haggai said that the friendly sentiments between the Chinese and the U.S. peoples can be traced back through history.

McCamish said his current visit to China is an opportunity to witness China and the Chinese people. Genuine mutually beneficial cooperation between the two sides requires mutual understanding, he added.

There are "tremendous investment opportunities" in China, McCamish said, adding that he is willing to become involved in China's economic construction, particularly by investing in its infrastructure and stock markets.

Haggai and his party arrived here Monday [1 November] as guests of the China Association for International Friendly Contacts.

Columnist Urges Stability in Sino-U.S. Relations

HK0211091693 Hong Kong TA KUNG PAO in Chinese
2 Nov 93 p 3

["Political Talk" column by Shih Chun-yu (2457 0689 3768): "China and the United States Must Maintain and Stabilize Their Constructive Relations"]

[Text] This Month's Sino-U.S. Summit Meeting

Yesterday, the XINHUA NEWS AGENCY dispatched a report about Premier Li Peng's talk on Sino-U.S. relations. He said that the meeting between President Jiang Zemin and U.S. President Clinton in Seattle in mid-November will "be a good thing of great significance." This was the first positive response by the top responsible person in the Chinese Government to the Sino-U.S. summit meeting in mid-November.

Li Peng pointed out: China is the largest developing country in the world. Its economy is on the rise and it has a broad market. China and the United States should maintain stable and constructive relations and this is in the interests of both countries.

Since the Clinton administration took power, China has always maintained goodwill toward the United States and has handled relations with the United States according to the long-term interests of both countries and both peoples and in accordance with the interests of world peace and stability. China has exercised restraint on certain points. Take the Yinhe incident as an example. The whole world noted that China exercised restraint when responding to the U.S. challenge. The development of the event proved that the United States brought shame on itself.

China must not be regarded as being weak and submissive while it exercises restraint; instead, China just tried to maintain the long-term friendly and cooperative relationship with the United States. Speaking more realistically, this was the need of mutual benefit. Today, China and the United States have formed an unprecedentedly close partnership in the fields of economic exchanges, trade, investment, scientific and technological exchanges, and personnel exchanges. If relations between the two countries are deadlocked or even worsen, things will be unfavorable to both sides.

Increase Trust, Reduce Trouble

After the Clinton administration took office, it was often hard on China, culminating in the Yinhe incident. The Clinton administration continued to exert greater pressure upon China on the most-favored-nation issue to force China to obey its instructions on the issues of market accessibility, arms deals, and human rights. In response to this, China called for "increasing mutual trust, reducing trouble, developing cooperation, and avoiding confrontation." The Chinese side repeatedly pointed out that China and the United States are two big influential countries in the world and should take a long-term point of view when approaching bilateral relations.

Recently, Clinton has showed a certain relaxation in his China policy, mainly because China's open policy and

economic development has produced an increasingly great impact on the world. China's huge market and potential purchasing power made a sharp contrast with the prolonged economic recession in the Western countries and with the tremendous economic difficulties that Eastern Europe and Russia are facing. People could not but admit China's great attractiveness.

Recent Successive Visits to China by U.S. Officials

After the end of the Cold War, the world shifted to a multipolar pattern. No one can deny that the economic development in the Asia-Pacific region is remarkable in the world and China is a shining pearl in the regional economic development of Asia. China enjoys political stability and possesses a brisk market. After a recent fact-finding tour in China, the delegation from the U.S. securities industry affirmed China's development potential and decided to transfer large sums of funds to Hong Kong, causing the local stock market's vigorous boom.

Obviously, if the United States continues to be antagonistic against China, then China will not be the only side to suffer losses. The United States will also suffer substantial disadvantages. During the Eighth Five-Year Plan, China will import goods worth \$300 billion and this is only the official planned figure. The prospects of increasing unofficial imports will be even greater. This year, a large quantity of high-class consumer goods has been imported from Europe, America, and Japan, and large department stores also began to make investments in China. If this was not because they had noticed the great purchasing power of the Chinese people, how could they pour all this into the Chinese mainland?

The U.S. Government recently sent its secretary of commerce and its trade officials and diplomats to visit China. Last Sunday, a U.S. assistant secretary of defense arrived in Beijing to discuss military cooperation with China. This shows that Clinton indeed has the intention of improving relations with China. Of course, one cannot expect that all differences between China and the United States will be solved because of all this. Therefore, Jiang Zemin's visit to the United States in mid-November and the summit meeting between the two countries will be of special significance.

Central Eurasia

Lithuanian President To Visit 8-13 Nov

*OW0211082793 Beijing XINHUA in English 0819
GMT 2 Nov 93*

[Text] Beijing, November 2 (XINHUA)—Algirdas Brazauskas, president of the Republic of Lithuania, will pay an official visit to China from November 8 to 13 at the invitation of Chinese President Jiang Zemin.

This was announced by a Chinese Foreign Ministry spokesman here today.

Correction to Item on Russian Su-27 Fighters

HK0211091993

The following correction pertains to the item headlined "PRC Purchases Russian Su-27 Fighter Planes," published in the Central Eurasia section of the 1 November China DAILY REPORT, page 10:

Page 10, column one, third paragraph, second sentence, make read: ...The planes were manufactured and assembled in Komsomolsk, which is located to the northeast of Khabarovsk, a Russian city in the lower valley of the Heilong Jiang (called the Amur River in Russia), at the confluence of the Heilong Jiang, the Songhua Jiang, and the Wusuli Jiang, which flow from northeastern China. The Chinese side.... (changing wording)

Page 10, column one, fourth paragraph, second sentence, make read: ...naval air force first assembled in Shenyang, in the northeast, to receive preparatory and camouflage training on a rotational basis, after which the.... (changing wording)

Russian Communists To Participate in Elections

*OW2710031793 Beijing XINHUA in English 0231
GMT 27 Oct 93*

[Text] Moscow, October 26 (XINHUA)—Russian Communist Party (RCP) leader Gennadiy Zyuganov said here today the "patriotic opposition" led by RCP will participate in the parliamentary election scheduled for December.

Dzyuganov, chairman of the Central Executive Committee of the Russian Communist Party, announced this at the party's representatives meeting.

He said the Russian Communist Party will jointly participate in the parliamentary election together with the Russian Peasants Party and the Russian Popular Union.

He said the presidium of the RCP Central Executive Committee had drafted "an appeal to Russian Communist Party members and the whole laboring people" as the party's election platform.

The RCP candidates include the chief editors of the newspapers of ROSSIYSKAYA GAZETA and PRAVDA.

Yeltsin Signs Decree on Disposal of Land

*OW2710202793 Beijing XINHUA in English 1937
GMT 27 Oct 93*

[Text] Moscow, October 27 (XINHUA)—Russian President Boris Yeltsin today signed a "historic decree" allowing free purchase and sale of land, the presidential press service said.

Under the decree, the Russian state "warrants the inviolability and protection of private property on land as well as the protection of the rights of land owners in all business transactions concerning land."

"Owners may sell their land, bequeath to their heirs, give it as a present, rent, change, mortgage, pass the whole land or its part as a contribution to funds of joint stock companies,

associations, or co-operative societies including those using foreign investments," the decree said.

Moreover, it continued, all compulsory purchases and other forms of confiscation of agricultural products are cancelled.

But the decree does not give foreigners the right to buy land, the ITAR-TASS news agency said, adding that they "will only be allowed to rent it on definite terms."

Yeltsin Endorses Sanctions on Tax-Evading Regions

OW2810125093 Beijing XINHUA in English 1232 GMT 28 Oct 93

[Text] Moscow, October 28 (XINHUA)—Russian President Boris Yeltsin today decreed to allow the federal government to impose sanctions against the tax-dodging regions, the presidential press service said.

He described such measures as necessary because of the "extremely difficult financial situation in Russia."

According to the presidential press service, between November 1 and January 31, the federal government can fire back and cease to finance enterprises or organizations in those republics, territories and regions as well as in the cities of Moscow and St. Petersburg which refuse to pay federal taxes for the Russian budget.

The government can also cancel their quotas necessary for foreign trade, stop deliveries of goods from centralized Russian state resources to them and decrease centralized state credits by the amount of dodged tax payments.

Moreover, the central bank was ordered to write off the non-paid amounts of money from the accounts of tax-dodging regions.

On the same day, the Russian president also offered an amenity to companies and private individuals who evaded tax payments in 1993 and before, but threatened major fines on those who fail to repay dodged taxes before November 30 this year.

The fines will be three times the amounts envisaged for tax evasion, according to a presidential decree published here earlier today.

The decree was adopted to increase state revenues and ensure the financing of pensions, scholarships and other social welfare benefits, the ITAR-TASS News Agency said.

Yeltsin Dissolves City, District Soviets

OW2910042693 Beijing Central People's Radio Network in Mandarin 1700 GMT 28 Oct 93

[From the "International News" program]

[Text] Russian President Yeltsin signed a decree on 26 October announcing his decision to dissolve the soviets of the people's deputies at the city and district levels. Yeltsin's decree says: The autonomous organizations of the people's deputies at the city and district levels shall be elected

between December 1993 and June 1994. Before they are elected, their functions will be exercised by the local administrative authorities.

Rutskoy's Hospitalization Reported

OW2910100893 Beijing XINHUA in English 0944 GMT 29 Oct 93

[Text] Moscow, October 29 (XINHUA)—Former Russian Vice President Aleksandr Rutskoy, who was arrested during the parliament building battle early this month in Moscow, was hospitalized on Wednesday because of "high blood pressure," the ITAR-TASS NEWS AGENCY said today.

"There is no danger for his life," the news agency quoted a Security Ministry spokesman as adding, "Rutskoy has to 'lay in bed for some time' in the hospital of the ministry."

Rutskoy, who was placed in the Lefortovo investigation prison in Moscow immediately after his arrest, is "under constant medical observation and his ward is guarded," ITAR-TASS said.

'Roundup' on Yeltsin, New Constitution

OW3010045493 Beijing XINHUA Domestic Service in Chinese 0951 GMT 25 Oct 93

["Roundup" by reporter Ju Mengjun (0215 1322 6511)]

[Text] Beijing, 25 Oct (XINHUA)—To adopt the new Russian Federation Constitution drawn up under his supervision, Russian President Yeltsin recently decided to hold a nationwide referendum on the draft Russian Constitution on 12 December this year, the same day the new parliamentary elections will take place.

Since its independence, Russia has been continued to use the constitution drawn up when Russia was a republic of the Soviet Union. Although a great deal of changes have been made in the Constitution, Yeltsin still considers some provisions to be "outdated and incompatible with present needs." These provisions include "the Congress of People's Deputies is the supreme organ of state power and it has the right to deliberate and approve any issue in the Russian Federation" and "the president must not dismiss or suspend activities conducted by any organ of state power that is elected lawfully." Since he was elected Russian president, Yeltsin has been trying to abolish or amend these provisions and making great efforts to adopt a new constitution that defines the supreme state power belongs to the president. However, due to the opposition from the former parliament and the Congress of People's Deputies, he failed to fulfill his wishes.

A key issue in Yeltsin's prolonged fighting with the former parliament was the nature of the new constitution. Yeltsin asserted that Russia should establish a presidential system of state power and that means the president possesses the supreme power in making decisions for state affairs; former parliamentary speaker Khasbulatov argued that Russia should establish a parliamentary system in which the parliament has the supreme power. Because the president and

the former parliament failed to reach a consensus on these key provisions, the process of drawing up a new constitution was delayed again and again.

Since Yeltsin dismissed the Congress of People's Deputies and the parliament in September this year, in effect, the constitution has actually lost its significance and effect. Seizing the opportunity of new parliamentary elections, Yeltsin decided to hold a nationwide referendum on the new draft constitution. His intention was to fill up the state's "constitutional vacuum" as soon as possible and, at the same time, to constitutionally settle the contentious issue of state power over which Yeltsin disputed with the former parliament, and to lay a legal foundation for establishing a presidential system in Russia.

Yeltsin claims the new draft constitution ready for the nationwide referendum will be the "first real democratic constitution" in Russia. According to the Russian news media, the future new Russian constitution has three main features: First, it determines that the structure of state power is based on a presidential system. The new parliament's power is limited to legislative and supervisory functions. It also stipulates that the president has the right to dismiss the parliament; second, the Congress of People's Deputies and the Supreme Soviet, state power organs set up in the past Soviet Union period, are abolished. A bicameral system's parliament, called Federal Council, is to be established; and third, it puts more emphasis on the private form of ownership, including land privatization. In addition, the new constitution will stipulate that the post of vice president no longer exists.

In this nationwide referendum, the question voters need to answer is: "Do you acknowledge the Constitution of the Russian Federation?" According to official quarters, so long as more than 50 percent of voters cast their ballots and the simple majority (over half of the voters) is in favor of it, the new constitution will be adopted and come into effect from the day of publication of the results of the national vote. According to sources, the key factor for the adoption of the new constitution lies with how the ballots are counted. Some voters assert that to pass a state fundamental law in a referendum requires affirmative votes from more than 50 percent of the entire constituency. Whether or not the new constitution will be adopted is of great significance to the stability of Yeltsin's political power.

Russian Finance Minister Critical of Cabinet

OW0111135393 Beijing XINHUA in English 1336
GMT 1 Nov 93

[Text] Moscow, November 1 (XINHUA)—Russian Finance Minister Boris Fedorov today blasted the government for paying all attention to the upcoming parliament elections and delaying the solution of important problems.

Fedorov, who is seen here as a "reformist," also told reporters that a coalition government would not save the country.

"I am sick and tired of our half-way policy, of endless compromises, of the necessity to sit at the same table with

people who are my ideological adversaries and who state that the government has no program," the finance minister said.

Fedorov, also deputy prime minister, said: "I deeply dislike the (government) participation in election campaign, the fuss around future positions, attempts to postpone major decisions."

"I do not understand how we adopt or more often do not adopt important decisions, why amateurs are dealing with many problems, why the number of ministers and departments has reached such a number that it is impossible to remember all government members," he said.

He said he is categorically against a coalition government which can be formed by a new parliament.

He warned that "another coalition government would mean a continuation of the economic and political crisis."

However, the cabinet minister said, the current government had done many positive things this year. He urged "a breakthrough, a faster movement ahead."

'October Revolution' Celebrations Banned

OW0211022693 Beijing XINHUA in English 0215
GMT 2 Nov 93

[Text] Moscow, November 1 (XINHUA)—The authorities of the Russian capital city of Moscow declared on Monday [1 November] a ban on celebrations of the 76th anniversary of the "October revolution" on November 7.

The decision was announced by Vasilii Akhipov, chief specialist of the city's justice bureau, who told the press that about ten political and mass groups including the Russia Christian-Democratic Movement have so far asked for permission to hold demonstrations or rallies marking the event in the Red Square and some other historic places.

He said however that according to one of President Boris Yeltsin's decrees, mass activities to take place in these places should have the president's approval.

Moreover, he pointed out, the applicants included some political groups banned by the Ministry of Justice.

According to Akhipov, the municipal administration had asked these groups to make a change in their planned schedules, routes and sites, but failed to reach agreement with them.

The authorities warned organizers that they should stop making preparations because they have no right to do what they are planning to do that day.

Russia Asked Not 'To Intervene' in Georgia

OW3110033193 Beijing XINHUA in English 0303
GMT 31 Oct 93

[Text] Moscow, October 30 (XINHUA)—Georgia today appealed to Russia to keep its soldiers from joining ousted President Zviad Gamsakhurdia and thus intensifying the Georgian civil war.

In a statement, the Georgian Government said that on October 28, 10 trucks carrying Abkhazian separatists and armed Russian soldiers from the self-styled "Confederation of Peoples of the Caucasus" reached Zugdidi, the camp base of Gamsakhurdia.

It called the move a "new invasion," saying it was motivated by those who supported Abkhazian separatists in fighting against Georgian Government troops.

The Georgian Government expressed the hope that Russia would properly assess the actions by mercenaries from southern Russia and help prevent a new large-scale armed conflict in western Georgia.

According to INTERFAX, the rebel forces led by Gamsakhurdia regained the towns of Senaki and Khobi from the hands of government troops during the past few days.

The Russian Government estimated that some 800 soldiers from Abkhazia and northern Caucasus joined the rebel forces in fighting Georgian Government troops.

Leaders from Abkhazia and the Confederation of Peoples of the Caucasus denied their forces' involvement, but did not rule out the possibility that some soldiers had participated individually for "material benefits."

On the same day, Georgian leader Eduard Shevardnadze said in the western town of Abasha that he was not asking Russian forces to intervene in the fighting beyond fulfilling their pledge to defend the strategic railway through western Georgia.

He expressed the hope that "the Russian troops will not take part directly in combat actions beyond the immediate zone of the railway and its environs."

Russian troops guarding the railway line in Senaki opened fire after coming under sustained artillery fire from Gamsakhurdia's supporters.

Shevardnadze also made it clear that his government intended to take back the whole breakaway province of Abkhazia, which fell to separatists last month.

Southeast Asia & Pacific

Qian Qichen Receives Cambodian Delegation

*OW0111140993 Beijing XINHUA in English 1353
GMT 1 Nov 93*

[Text] Beijing, November 1 (XINHUA)—Chinese Vice-Premier Qian Qichen met here this evening with President of the Cambodian National Assembly Chea Sim and his party, and hosted a banquet in their honor.

Those attendants included Norodom Ranariddh, first prime minister of Cambodia; Hun Sen, second prime minister of Cambodia; Son Sann, leader of the Cambodian Liberal Democratic Buddhist Party, and Norodom Sirivudh, Cambodian minister of foreign affairs and international cooperation.

Qian expressed his congratulations on the establishment of the new government of the Kingdom of Cambodia.

He said that, after years of war, it is not easy for Cambodia to witness the restoration of peace, which is cherished by the Cambodian people.

He expressed the hope that the government and people of the Kingdom of Cambodia can properly solve the problems left by the war and concentrate on the reconstruction of the country, under the leadership of King Norodom Sihanouk and the spirit of national reconciliation.

He noted that China has all along paid much attention to Sino-Cambodian relations and put the development of a friendly Sino-Cambodian relationship of cooperation in a prominent position.

The Cambodian leaders expressed thanks on behalf of the Cambodian Government and people for China's important role in the Cambodian peace process, as well as the concerns expressed by the Chinese Government and people for King Sihanouk's health.

They reiterated that China is a great friend of Cambodia and that the Government of the Kingdom of Cambodia will continue to develop friendly cooperative relations with China.

The Cambodian leaders arrived here yesterday to see King Norodom Sihanouk, to congratulate him on his 71st birthday and to submit the name list of the new Cambodian cabinet for approval.

According to sources, King Sihanouk approved the list yesterday. Chea Sim and his party will leave Beijing for home tomorrow.

Cambodia's Ranariddh on Territorial Integrity

*OW2910124993 Beijing XINHUA in English 1029
GMT 29 Oct 93*

[Text] Phnom Penh, October 29 (XINHUA)—The first prime minister of the Royal Government of Cambodia, Prince Norodom Ranariddh, reiterated here today that Cambodia's territory can not be divided.

He made the statement in the new cabinet political program read out after the cabinet was officially approved at the first session of the National Assembly (parliament).

The program stressed that the territory of the Cambodian Kingdom is integral and indivisible. No one can be allowed to occupy an inch of the territory.

On the basic principles of the Royal Government work, Ranariddh said that the cabinet will focus its strength on the unification of the country to achieve national unity and reconciliation.

The government will firmly oppose corruption, actively develop economy and solve problems without resort to force, he said.

The political program affirmed that the royal government has planned to discuss with the Khmer Rouge for a peaceful

settlement. It welcomes the Khmer Rouge to send representatives to act as advisers in the Royal Government if the latter recognizes and respects the state Constitution and stop hostile activities.

On foreign policy, it strongly called for international guarantee for Cambodia's sovereignty, independence, territorial integrity, neutrality and national unification.

All treaties and agreements signed with foreign countries that endanger and violate the country's sovereignty and territorial integrity must be declared null and void, the program said.

The Royal Government adopts the free-market economic system, it said.

President of the Assembly Chea Sim spoke at the closing ceremony of the first session of the National Assembly, hailing the success of the four-and-half-day session which elected the new parliament leadership, approved the compositions of the new cabinet and the political program.

Brunei Sultan Receives Outgoing Envoy

*OW0111164593 Beijing XINHUA in English 1459
GMT 1 Nov 93*

[Text] Bandar Seri Begawan, November 1 (XINHUA)—The sultan of Brunei said he looks forward to visiting China with the hope that friendly relations between Brunei and China will grow further.

Sultan Hassanal Bolkiah said this here today when he was receiving Chinese Ambassador to Brunei Jin Guihua at "Nurul Iman Palace."

He told the ambassador, who paid a farewell call on him, that he is pleased to see rapid development of cooperation and friendship between the two countries which established diplomatic relations not long ago (September 1991).

The sultan said he is keen to tour China, a country with ancient civilization and fast economic development nowadays.

While asking the ambassador to convey his greetings to President Jiang Zemin and Premier Li Peng, the sultan said he also looks forward to meet them.

Earlier, Jin conveyed cordial greetings to the sultan from the Chinese leaders, saying they look forward to meeting with the ruler of the oil-rich sultanate in Southeast Asia.

The Chinese Government has attached great importance to the visit and the Chinese leaders are confident that the event will strongly push forward Sino-Brunei friendship and cooperation, Jin said.

The sultan's visit, the first by a Brunei ruler in centuries, is scheduled for November 4-8.

Sultan Hassanal Bolkiah, 47, was enthroned in 1967.

Philippine Delegation Ends Heilongjiang Visit

*SK0111064693 Harbin HEILONGJIANG RIBAO in
Chinese 15 Oct 93 p 1*

[Text] The delegation from the Foreign Affairs Committee of the Philippine Congress led by Blas Ople, chairman of the Foreign Affairs Committee of the Philippine Congress, ended its two-day friendly visit to our province and left Harbin by plane this evening.

The 15-member delegation was invited to visit China by the National People's Congress Standing Committee. Qi Guiyuan, vice chairman of the provincial people's congress standing committee, and Vice Governor Yang Zhihai greeted the delegation at the airport. They respectively welcomed the Philippine guests' visit on behalf of the provincial people's congress standing committee and the provincial government.

During its stay in Harbin, the delegation visited Harbin flax plant, Harbin electric machinery plant, the international trade town, and the Taiyangdao tourist areas. They expressed appreciation for our province's tremendous achievements in reform and opening up. Mr. Blas Ople, leader of the delegation, said: "Both China and the Philippines are developing countries. Our visit to China's border and outlying province this time is aimed at understanding the situation of reform and opening up and learning from your experience."

At the Harbin electric machinery plant, the delegation members learned, in detail, about how our province met the needs of increasing electric power and was very interested in the small hydraulic electrogenerating equipment produced by this plant.

During its stay in Harbin, the delegation was feted by the provincial people's congress standing committee and the provincial government.

Marshall Islands, Thailand Sign Accord in Beijing

*OW2910071593 Beijing XINHUA in English 0642
GMT 29 Oct 93*

[Text] Beijing, October 29 (XINHUA)—A joint communique on the establishment of diplomatic relations between the Republic of the Marshall Islands and the Kingdom of Thailand was signed here at 10:00 hours today.

According to the communique, the two governments, guided by the principles and purposes of the Charter of the United Nations, and desirous of promoting friendly relations and greater cooperation between each other, have agreed to establish diplomatic relations at ambassadorial level with effect from October 29.

They have also agreed to conduct their relations in accordance with the principles and purposes of the Vienna Convention on Diplomatic Relations (1961), and to decide at a later time as may be agreed by both countries the accreditation of their respective ambassadors.

Laurence N. Edwards, ambassador of the Marshall Islands to China, and Montri Chalichan, ambassador of Thailand to China, signed the document on behalf of their respective governments.

The signing ceremony was held in the Embassy of the Marshall Islands here.

According to the Embassy of the Marshall Islands, Thailand is the 50th country to establish diplomatic relations with the Marshall islands.

Thai Airline To Fly to Shanghai, Guangzhou

*OW2910131093 Beijing XINHUA in English 1236
GMT 29 Oct 93*

[Text] Shanghai, October 29 (XINHUA)—Thai Airways International Ltd. will open a new route between China's largest industrial city, Shanghai, and Bangkok on November 2.

A spokesman for the company said that Thai airplanes will fly three times a week between Bangkok and Shanghai, which is also the biggest port in China.

The company will use Airbus-600 planes, each one of which can carry 247 passengers, he said.

Thai Airways International Ltd. has also decided to open a Guangzhou-Bangkok route on October 31 this year, he said.

Eight years ago, Thai Airways International Ltd. opened its first route into China, the Beijing-Bangkok line. In 1991, a second line to southwest China's Kunming city was opened.

The Shanghai-based East China Airways already flies between Shanghai and Bangkok.

Near East & South Asia

Sun Fuling, Delegation Tour Gulf States

Arrive in Oman

*OW2810203693 Beijing XINHUA in English 1912
GMT 28 Oct 93*

[Text] Abu Dhabi, October 28 (XINHUA)—Omani Consultative Assembly Chairman 'Abdallah Bin 'Ali al-Qatabi today met with Sun Fuling, head of the visiting Chinese People's Political Consultative Conference delegation, news reports from Muscat, Oman said.

During the meeting, Chairman Qatabi reviewed the traditional friendship between Oman and China and the smooth development of cooperation in recent years.

Qatabi also hailed the achievement China has made in its economic reform in the past years.

Sun Fuling spoke highly on the remarkable achievements gained by the Sultanate of Oman in the 23 years under the leadership of Sultan Qabus.

He conveyed the congratulations of Li Ruihuan, chairman of the Chinese [People's] Political Consultative Conference, to Qatabi.

Oman and China established diplomatic relations in 1978.

In 1989, the then Chinese President Yang Shangkun paid an official visit to Oman. Chinese State Councillor and Foreign Minister Qian Qichen and Vice-Premier Li Lanqing visited Oman separately in January and July this year.

Economic relations between the two countries have grown steadily. China started importing Oman's crude oil from the international market in 1988. The volume of two-way trade in 1992 reached around 500 million U.S. dollars.

The Chinese delegation, which arrived in Muscat Wednesday [27 October], will later visit Bahrain and Qatar.

Received by Qatari Amir

*OW0111194993 Beijing XINHUA in English 1921
GMT 1 Nov 93*

[Text] Abu Dhabi, November 1 (XINHUA)—Qatari Amir Shaykh Khalifah Bin-Hamad Al Thani received today in Doha, the capital of Qatar the Chinese People's Political Consultative Conference delegation headed by its vice-chairman Sun Fuling, reports reaching here said.

During their meeting, Shaykh Khalifah expressed satisfaction to the development of cooperations between the two countries in all areas and expressed hope to further develop the friendship with China.

Sun Fuling conveyed congratulations to the Amir from China's President Jiang Zemin and his consultative conference chairman, Li Ruihuan. Sun spoke highly on the achievements of Qatar under the leadership of Shaykh Khalifah.

Qatari chairman of the Advisory Council, 'Ali Hatmi, this morning held talks with Sun, discussing with him on the establishment and development of relations between his Advisory Council and Chinese People's Political Consultative Conference.

Qatar and China established diplomatic relations in 1988 and since then the relations between the two countries have been developing in a smooth way.

Foreign ministers of the two countries exchanged visits since then. And an agreement was signed in July by visiting Chinese Deputy Premier Li Lanqing and Qatari Foreign Minister Shaykh Hamad Bin-Jasim Bin-Jabir Al Thani to boost trade between the two countries.

In 1992, China's exports to Qatar, covering textiles, garments, foods and goods of light industry and construction materials, totaled 8.31 million U.S. dollars and import from Qatar, including urea and petrochemical products, reached 69 million dollars.

The Chinese delegation arrived Doha Sunday [31 October] following a four-day visit to Sultanate of Oman. The last leg of its Gulf tour will be Bahrain.

Seypidin Aze Meets Yemeni Friendship Delegation

*OW2710091993 Beijing XINHUA in English 0838
GMT 27 Oct 93*

[Text] Beijing, October 27 (XINHUA)—Seypidin Aze, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), met here today with a delegation from the Yemen-China Friendship Association headed by its president Gamal al-Khawlani.

The delegation, invited by the Chinese People's Association for Friendship With Foreign Countries, started its China visit on October 22. It is the first delegation ever to visit China from the Yemen-China Friendship Association since it was established on March 18, 1993.

Memo Signed With Israel on Agricultural Cooperation

*OW0111193893 Beijing XINHUA in English 1910
GMT 1 Nov 93*

[Text] Jerusalem, November 1 (XINHUA)—Israel and China today signed a memorandum of understanding on bilateral cooperation in agriculture, the first of its kind since the two Asian countries set up diplomatic ties in early 1992.

Signing the memorandum in the Mediterranean city of Tel Aviv were Israeli Agricultural Minister Ya'acov Tzur and his Chinese counterpart Liu Jiang, who is currently paying a week-long official visit to the Jewish state.

According to the memorandum, a joint Israeli-Chinese agricultural committee will be established between the two governments in order to further the mutual cooperation in the field of agriculture.

The committee will consist of two to three people from each side and convene once every one or two years alternately in China and Israel.

The two ministers agreed in the memorandum that their respective governments will give further support to the Israeli-Chinese Center for Training in Agriculture, which has already been set up in China.

Such support is expected to help achieve the goals of high-level training for a wide range of topics concerning agriculture.

The memorandum says emphasis in training should be given to arid and semi-arid zones where efficient water use is of paramount importance.

The western part of China shares a great similarity to the southern desert region in Israel.

A demonstration farm will also be established in China where Israel's advanced agriculture technology and equipment will be utilized for economic crop production, says the document.

The farm will include Israel's approach to irrigation, fertilization, modern crop varieties and various other fields in agriculture.

The idea of such a farm was formulated and agreed upon by Israeli Prime Minister Yitzhaq Rabin and his Chinese counterpart Li Peng when the former visited China in mid-October this year.

Both sides also agreed that a mechanism should be established to enable the exchange of scientists from both countries on a reciprocal basis.

After signing the memorandum, the Chinese minister told reporters it is an important achievement of his visit.

"The memorandum will be carried out very soon on the basis of friendly cooperation," said Liu Jiang.

Liu, who is the highest-ranking Chinese official to visit Israel so far this year, said he was "very much impressed by the agricultural achievements made in Israel, which has been fighting adverse natural conditions with modern science and technology.

The Chinese minister, who arrived here last week, is expected to wind up his visit Wednesday.

Vice Minister on Coal Mining Tie-up With India

*OW0111035693 Beijing XINHUA in English 0330
GMT 1 Nov 93*

[Text] New Delhi, November 1 (XINHUA)—China has expressed keenness for cooperation with India in the coal sectors particularly in the areas of underground mine mechanization and management of hard roof in longwall faces.

A delegation led by Vice Minister of the Chinese Coal Industry Fan Weitang visited India last month and they felt that there was ample scope for cooperation between the two countries in the area of mechanized longwall mining.

The Chinese vice-minister, who visited a number of open cast and underground mines, said that it would be possible for China to provide cost effective technology to India.

The Indian side offered open cast mining equipment along with services like mine planning, designing and operating open-cast mines.

Both sides have agreed to take suitable action for constitution of a joint action group in order to broaden the scope of Indo-Chinese cooperation in coal industry.

Sub-Saharan Africa

President Paul Biya of Cameroon on Official Visit

*OW1810123393 Beijing XINHUA in English 1205
GMT 18 Oct 93*

[Text] Beijing, October 18 (XINHUA)—At the invitation of President Jiang Zemin of the People's Republic of China, president Paul Biya of the Republic of Cameroon will pay an official visit to China from October 25 to 30.

This was announced by a spokesman for the Chinese Foreign Ministry here today.

Arrives With Cabinet Members

OW2510104293 Beijing XINHUA in English 1024
GMT 25 Oct 93

[Text] Beijing, October 25 (XINHUA)—President Paul Biya of the Republic of Cameroon arrived here this afternoon on a six-day state visit to China, at the invitation of his Chinese counterpart Jiang Zemin.

Several cabinet members, including minister of planning and territorial management, minister of external relations, minister of industrial development and trade, and minister of transport, are accompanying President Biya on the visit, his second trip to China since becoming president.

In an interview with XINHUA earlier today, Cameroon's ambassador to China, Etian Elain-Elle, said the chief purpose of the president's visit is to strengthen the traditional friendship between the peoples of Cameroon and China, which he called "two great nations in the world."

During his stay in Beijing, President Biya is scheduled to meet President Jiang Zemin, Premier Li Peng and Chairman Qiao Shi of the Standing Committee of the National People's Congress, to exchange views on "a range of important issues," particularly on ways to expand bilateral friendly cooperation, according to Ambassador Etian.

Against the backdrop of vast changes both in Cameroon and China, this visit will serve to enhance mutual understanding between the two countries, Etian said.

According to the ambassador, Biya will go to Wuhan, in Central China, to attend a ceremony to inaugurate sisterly ties between China's Hubei Province and Cameroon's southern province. President Biya will be made an honorary professor of Beijing University, Etian added, citing those as new symbols of Cameroon-China friendship.

President Biya and his entourage were greeted at the airport by Minister of Civil Affairs Doje Cering, who is chairman of the Chinese Government Reception Committee, and Vice Foreign Minister Yang Fuchang.

Meets With Jiang Zemin

OW2810011693 Beijing XINHUA Domestic Service in Chinese 0725 GMT 26 Oct 93

[By reporter Zhou Shuchun (0719 2885 2504)]

[Text] Beijing, 26 Oct (XINHUA)—President Jiang Zemin held formal talks with Cameroon President Paul Biya at the Great Hall of the People this morning [26 October]. The two leaders exchanged views on bilateral ties and the international and regional situation, and reached agreement on a wide range of issues.

On bilateral ties, Jiang Zemin said: Since the establishment of diplomatic relations, China and Cameroon have cooperated very well in all fields, and the peoples of the two countries have continued to strengthen their traditional friendship. The Chinese Government and people greatly cherish and will continue to strive to develop friendly and cooperative ties between the two countries.

Jiang Zemin said: President Biya's current visit to China indicates the importance the Cameroon Government attaches to the development of ties with China. It also serves to further enhance mutual understanding and cooperation between the two countries, and propel Sino-Cameroonian friendship and cooperation to a new level.

According to an official from the Ministry of Foreign Affairs, the two leaders expressed the wish to further enhance cooperation. Jiang Zemin said: Sino-Cameroonian ties are part of South-South cooperation. The Chinese Government has always attached importance to South-South cooperation, and considers economic and technological cooperation with developing nations an important part of its opening-up policy. He reiterated China's principles on South-South cooperation, namely: Equality and mutual benefit, emphasis on practical results, diversification in forms, and common development. He said: China supports all ideas and proposals that can effectively promote South-South cooperation, and is willing to make contributions to further expand such cooperation.

On the situation in Africa, Jiang Zemin said: China hopes for peace, stability, and economic development on the African continent. We support efforts made by African countries to end the chaos caused by wars, and to seek peace and development. We also believe these nations will succeed in their endeavor to search for a path of development which suits their national conditions. He said: "We hope the international community will show more concern and understanding for the plight of African countries, and provide them with more help, so that Africa's economy will recover and develop."

During the meeting, the two sides briefed each other on the domestic situations in their countries. Jiang Zemin said: The diversity of the world exists as an objective reality, and a country has the right to choose a social system, economic mode, and path of development according to its national realities. "We sincerely hope the Cameroon Government and people will continuously make new achievements in their undertaking to preserve national unity, to strengthen solidarity among nationalities, to build their country, and to invigorate their economy."

President Biya spoke highly of the deep friendship and good cooperation between Cameroon and China. He described the purpose of his visit as one which enhances understanding and deepens friendship. He praised China for its success in combining the market economy with its own social system, and in combining traditional culture with modernization. He said: Cameroon is a resource-rich country, and it also practices an opening-up policy. On the basis of self-reliance, it welcomes support and cooperation from friendly countries.

Before the talks, President Jiang Zemin held a ceremony on the square outside the eastern gate of the Great Hall of the People to warmly welcome President Biya on his six-day state visit to China. Participating in the welcoming ceremony were Qian Qichen, vice premier and minister of foreign affairs; Wu Jieping, vice chairman of the National People's Congress Standing Committee; Doje Cering,

chairman of the Chinese Government Reception Committee and minister of civil affairs; and Chen Zhongyi, vice chairman of the Taiwan Democratic Self-Government League Central Committee.

Discusses Bilateral Relations

*OW2610075293 Beijing XINHUA in English 0735
GMT 26 Oct 93*

[Text] Beijing, October 26 (XINHUA)—Chinese President Jiang Zemin and visiting President Paul Biya of Cameroon held talks here this morning on bilateral relations and the international and regional situation, reaching agreement on a wide-range of issues.

Both leaders voiced the wish to further bilateral cooperation, according to a Chinese Foreign Ministry official.

Jiang said that since the establishment of diplomatic relations, China and Cameroon had had "very good cooperation" in different fields.

President Biya's current visit, an expression of the importance Cameroon attaches to ties with China, would serve to enhance the mutual understanding and cooperation between the two countries, bringing such ties to a new high, Jiang said.

Calling Sino-Cameroon ties part of the South-South cooperation, Jiang said the Chinese Government always attaches importance to such cooperation and considers economic and technological cooperation with other developing nations "part and parcel of its open policy."

He restated China's principles on South-South cooperation, namely, equality and mutual benefit, emphasis on practical results, diversified forms and common development. "China supports all programs and proposals that will effectively promote South-South cooperation and is ready to contribute to further expansion of such cooperation," a Chinese Foreign Ministry official quoted Jiang as saying.

On the situation in Africa, Jiang said that China hoped for peace and stability on the continent, which would thus enjoy economic development. Also, China supports the African countries' efforts to end the chaos caused by war and seek peace and development, and believes that they will succeed in seeking the path of development, which suits their national realities, he added.

"We hope that the international community will show more concern and understanding for the African countries' predicament, and provide more help, so as to ensure the economic recovery and development of Africa," Jiang said.

During the meeting, the two leaders briefed each other on the domestic situation in their countries.

Jiang said that as the diversity of the world exists as an objective reality, a country has the right to choose the social system, mode of economy and path of development, in the light of national realities.

China sincerely hopes that Cameroon will continuously make new achievements in safeguarding and strengthening national unity and building up the economy, Jiang said.

President Biya spoke highly of the "deep friendship and good cooperation" between Cameroon and China, describing the purpose of his visit as to enhance understanding and deepen such friendship.

He said that Cameroon, which is rich in resources, also practices an open policy and, on the basis of self-reliance, welcomes support and cooperation from friendly countries.

Prior to the talks, Jiang presided over a ceremony outside the Great Hall of the People to welcome President Biya and his party.

Jiang Zemin Hosts Banquet

*OW2610131893 Beijing XINHUA in English 1248
GMT 26 Oct 93*

[Text] Beijing, October 26 (XINHUA)—Chinese President Jiang Zemin hosted a banquet in honor of President Paul Biya of Cameroon and his party at the Great Hall of the People here this evening.

President Biya arrived here yesterday on a six-day state visit to China. This morning, Jiang and Biya held talks on bilateral relations and international and regional issues.

Among those attending the banquet were Chinese Vice-Premier and Foreign Minister Qian Qichen, Vice-Chairman of the Standing Committee of China's National People's Congress Wu Jieping and Doje Cering, Chinese minister of civil affairs and chairman of the Chinese Government Reception Committee.

Prior to the banquet, Jiang and Biya attended a signing ceremony of an agreement on the Chinese Government providing a loan to the Government of Cameroon.

This afternoon, Beijing University conferred on President Biya the title of honorary professor.

Confers With Qiao Shi

*OW2710085793 Beijing XINHUA in English 0626
GMT 27 Oct 93*

[Text] Beijing, October 27 (XINHUA)—Whatever the changes in the world, China will always remain a faithful friend of Africa, NPC leader Qiao Shi said here today.

Qiao, chairman of the Standing Committee of China's National People's Congress (NPC), made the remark at a meeting this morning with President Paul Biya of Cameroon, who is here on a six-day state visit.

Qiao gave a positive assessment of the "smooth expansion" of Sino-Cameroon relations over the years. He said the two peoples had supported and learned from each other, in building up "a profound friendship," he said.

He expressed the conviction that President Biya's visit would pump fresh impetus into the promotion of bilateral ties.

Biya voiced the wish that his trip would serve to strengthen the existing friendship and cooperation between the two countries.

Giving an account of China's domestic situation, Qiao said that the country, guided by Deng Xiaoping's theory on building socialism with Chinese characteristics, had focused on economic development in carrying out reform and open policies, while adhering to the socialist road.

Now the country enjoys political stability and national unity, which constitute an important condition for sustained and steady economic growth, he said.

Biya expressed admiration for China's political stability and economic growth, according to a Chinese Foreign Ministry official.

After being briefed on Cameroon's political and economic development, Qiao said: "We sincerely wish Cameroon political stability and new development of the economy."

Gives Speech to Businessmen

OW2710123793 Beijing XINHUA in English 1154
GMT 27 Oct 93

[Text] Beijing, October 27 (XINHUA)—Visiting Cameroon President Paul Biya delivered a speech to Chinese businessmen here today on furthering Cameroon-China economic cooperation and trade.

He also briefed the 100 prominent Chinese businessmen present on the current economic situation in Cameroon.

Among the Chinese businessmen was Wei Mingyi, chairman of the China International Trust and Investment Corporation.

Meets Li Peng

OW2710131093 Beijing XINHUA in English 1237
GMT 27 Oct 93

[Text] Beijing, October 27 (XINHUA)—Chinese Premier Li Peng, in a meeting with President Paul Biya of Cameroon here this afternoon, stressed the importance China attaches to furthering relations with other developing nations.

Li, calling President Biya "an old friend of China," expressed the belief that the president's visit will "play an important role" in strengthening Sino-Cameroon relations. Li described Biya's talks with Chinese President Jiang Zemin as "very successful," saying that the meeting, which resulted in a comprehensive agreement, produced "the most important results of this visit."

The Chinese premier voiced satisfaction with the consolidation and expansion of Sino-Cameroon friendly cooperation since the establishment of diplomatic ties over 20 years ago.

The Chinese Government highly cherishes friendship with Cameroon and is willing to work with the Government of Cameroon in exploring new channels of mutually beneficial contacts, Li said.

Li spoke highly of the internal and foreign policies of Cameroon and voiced admiration for its endeavors in seeking a political system compatible with its national realities and in revitalizing the economy.

Pointing to what he called "a grim situation" for development in the world today, Li noted that in order to develop, nations must ensure the preconditions of a peaceful and stable environment. It will take tremendous efforts to reach the world's two major goals of peace and development, which are mutually dependent, he added.

The Chinese people hold profound feelings towards the African people, for "we are all developing nations, share similar historical encounters and a common task of developing the economy and improving people's livelihoods. We also have much in common in international affairs," he said.

The development of friendly cooperation with other developing nations, including the African countries, remains an important part of China's foreign policy, he said.

China always supports the just position of African countries on changing the unfair international political and economic order, he said.

Biya said that the warm welcome accorded him since the start of the visit "fully reflects the friendly sentiments between the two peoples," according to a Chinese Foreign Ministry official.

He congratulated China on its outstanding political and economic achievements, the source said.

Sees 'Friendship' Group Head

OW2810082893 Beijing XINHUA in English 0813
GMT 28 Oct 93

[Text] Beijing, October 28 (XINHUA)—Visiting President Paul Biya of Cameroon met here this afternoon with Han Xu, president of the Chinese People's Association for Friendship With Foreign Countries.

Biya and Han conversed on the furthering of non-governmental friendly relations between Cameroon and China.

After meeting with three top Chinese leaders in the last two days, Biya has completed most of his program for Beijing, the first leg of his six-day state visit to China, which started on Monday.

Leaves Beijing for Hubei

OW2910025293 Beijing XINHUA in English 0232
GMT 29 Oct 93

[Text] Beijing, October 29 (XINHUA)—President Paul Biya of Cameroon left here by special plane this morning for Wuhan, capital of central China's Hubei Province, on the second leg of a six-day state visit to China.

During his stay in Beijing, President Biya met with Chinese leaders, including president Jiang Zemin, Premier Li Peng and Chairman Qiao Shi of the Standing Committee of the National People's Congress, and attended the signing ceremony of an agreement on the Chinese Government providing a loan for the government of Cameroon.

Meets Hubei Governor

*OW2910105093 Beijing XINHUA in English 1013
GMT 29 Oct 93*

[Text] Wuhan, October 29 (XINHUA)—President Paul Biya of Cameroon today started a two-day tour of Hubei Province, in central China, the second leg of his six-day state visit.

This afternoon, Governor of the Province Jia Zhijie met with President Biya. Jia said that on the basis of constant expansion of Sino-Cameroon friendly relations in general, his province's exchanges and economic and trade cooperation with Cameroon have scored achievements as well.

In 1990, Hubei Province held an export commodity fair in Cameroon, where it also set up a trade firm, its first such firm in Africa. After that, there has been a series of economic, trade and cultural exchanges, he said.

"President Biya's visit will surely usher in a new stage of the fruitful cooperation between the two sides," Jia said.

After the meeting, Jia conferred the title of "Honorary Citizen of Hubei" on the Cameroon president.

Earlier today, President Biya and his party visited a local tractor plant.

He is scheduled to leave here and end the China trip tomorrow.

Leaves Wuhan for Guangdong

*OW3010102993 Beijing XINHUA in English 1002
GMT 30 Oct 93*

[Text] Wuhan, October 30 (XINHUA)—President Paul Biya of Cameroon left here this afternoon for Guangdong, where he is scheduled to depart for home via Hong Kong at the end of his six-day state visit to China.

This morning, President Biya visited the Wuhan Chang Jiang River Bridge and was taken on a sightseeing tour on the motorboat used by Chairman Mao Zedong when he swam across the river in 1966.

At around noon, Governor of Hubei Province Jia Zhijie and Cameroon Minister of Missions J.E. Ngole signed an agreement on establishing sisterly ties between Hubei and the southern province of Cameroon, which is President Biya's native home.

According to the agreement, Hubei and the southern province will develop diversified forms of exchange and cooperation in the fields of economy, trade, science and technology, culture, education, sports, public health and human resources, on the basis of equality and mutual benefit, so as to achieve common prosperity.

NPC's Chen Muhua Meets Mozambican Parliamentarians

*OW0211120193 Beijing XINHUA in English 1117
GMT 2 Nov 93*

[Text] Beijing, November 2 (XINHUA)—Chen Muhua, vice-chairperson of China's National People's Congress

(NPC) Standing Committee, met with a parliamentary delegation from Mozambique led by a Standing Committee member of the parliament Grace Machel here this evening.

Chen, also president of the All-China Women's Federation, had a cordial and friendly talk with the delegation which is composed of woman members of the parliament.

The delegation arrived here this morning as guests of the NPC Standing Committee, in a bid to acquaint themselves with achievements China has made in the reform and opening-up, particularly the experience of its special economic zones, as well as the involvement of Chinese women in the country's political affairs.

West Europe**Zhu Rongji Meets Finnish Deputy Prime Minister**

*OW0211122193 Beijing XINHUA in English 1156
GMT 2 Nov 93*

[Text] Beijing, November 2 (XINHUA)—Chinese Vice-Premier Zhu Rongji met and conferred with visiting Finnish Deputy Prime Minister and Minister of Foreign Trade Pertti Salolainen and his party on furthering the friendly and cooperative relations between China and Finland.

After the meeting, Zhu hosted a dinner in honor of the Finnish guests who arrived here on Friday [29 October].

Wu Yi, Chinese minister of foreign trade and economic cooperation, was present on the occasion.

Earlier today, Wu and Salolainen held talks on the expansion of Sino-Finnish trade and economic cooperation.

Tian Jiyun Meets European Parliamentary Group Guests

*OW0111121993 Beijing XINHUA in English 1053
GMT 1 Nov 93*

[Text] Beijing, November 1 (XINHUA)—Tian Jiyun, vice-chairman of the Standing Committee of the National People's Congress (NPC), met here this evening a delegation from the European Parliamentary Group for Relations With China.

During their meeting in the Great Hall of the People, Tian and Enzo Bettiza, chairman of the European Parliamentary Group for Relations With China and head of the delegation, exchanged views on how to enhance the relations and understanding between the two parliaments.

Bettiza and his 36-strong entourage arrived here yesterday on a week-long goodwill visit to China as guests of the NPC Standing Committee.

This morning, Zhu Qizhen, vice-chairman of the Foreign Affairs Committee of the NPC, held working talks with the delegation.

Joint Petrochemical Project With Italy Begun

*HK0111104993 Beijing RENMIN RIBAO in Chinese
22 Oct 93 p 2*

[By reporter Wang Yantian (3769 1750 3944) from Beijing: "Contract for Assembly and Installation of Shijiazhuang's Large Chemical Engineering Project Signed in Beijing; Zou Jiahua, Chen Muhua Attend Signing Ceremony"]

[Text] A signing ceremony for a contract for the third stage of a large caprolactam project was held on 19 October at the Great Hall of the People. The International Undertakings Company of the Chinese Petrochemical Industry Corporation, the China New Technology Development and Trade Co. Ltd., and the Preparatory Office of the Shijiazhuang Caprolactam Project officially signed the contract on introducing technology and equipment and a loan contract with the Italian Technology and Engineering Company. State Council Vice Premier Zou Jiahua and Chen Muhua, vice chairman of the Standing Committee of the National People's Congress, and leaders from Hebei Province and the relevant central departments attended the ceremony.

The large chemical industrial project, which requires a total investment of 2.1 billion yuan, will begin next year and will be completed and put into operation by 1997. After the project is operational, it will provide polyamide fiber for the domestic chemical fiber industry and will have a positive impact on the adjustment of the production structure in the textile industry.

Shandong City Establishes Ties With Milan

*SK2910100193 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 28 Oct 93*

[Text] Friendly ties were formally established between Weihai city and Milan city of Italy. Wu Longjiang, mayor of Weihai city, and (Yarluka Tuska), mayor of Milan, signed the agreement.

First Sino-Foreign Joint Bank in Shanghai Opens

*OW2810131293 Beijing XINHUA in English 1244
GMT 28 Oct 93*

[Text] Shanghai, October 28 (XINHUA)—The International Bank of Paris and Shanghai, the first Sino-foreign joint bank in Shanghai since the People's Republic of China was founded, opened in the downtown area of the city today.

With a registered capital of 60 million U.S. dollars, the new bank is being run jointly by the Shanghai branch of the Industrial and Commercial Bank of China, the country's largest commercial bank, and Banque Nationale de Paris, the leading commercial bank in France.

During the past ten months of trial operation, the bank helped raise tens of millions of U.S. dollars in loans in China and abroad to aid the electronics, textile, shipping and civil aviation industries in Shanghai and surrounding areas. It also provided information and other services to multinational corporations investing in China.

Shen Ruolei, chairman of the bank, said that the Sino-French bank will try to explore a new approach in operating commercial banks.

It plans to set up subsidiaries in China and other countries, said Shen, who is also head of the Shanghai branch of the Industrial and Commercial Bank of China.

Sichuan Hold Talks With North Rhine-Westphalia

*HK0111101893 Chengdu Sichuan People's Radio
Network in Mandarin 2300 GMT 29 Oct 93*

[Text] The Sichuan and North Rhine-Westphalia, Germany, Economic and Trade Talks opened yesterday [29 October] at the International Hall of Chengdu's Jingjiang Guest House. Prior to the talks, vice governors Pu Haiqing and Diao Jinxiang met with members of a large economic and technological delegation led by Mr. (Junte Ainate), economic minister of North Rhine-Westphalia.

Vice Governor Pu Haiqing made the opening address at the talks. He said: Sichuan maintains friendly ties with North Rhine-Westphalia. The friends from various circles and governments of the two states have done a great deal of work to develop bilateral friendly and cooperative ties, as well as substantial exchanges. Since the establishment of friendly city ties between the two states in 1988, the two sides have had an increasing number of contacts in economy, trade, science, technology, culture, and education, as well as a wide range of cooperation. The results have been satisfactory.

North Rhine-Westphalia, one of Germany's most powerful industrial bases and economically developed regions, has taken the lead in the world in many fields.

As a large province with a population of 100 million, Sichuan also has its own advantages and strong points in many fields. The two sides can complement each other in social and economic development. There are bright prospects for cooperation between the two sides in this aspect.

It has been reported that during the talks, the governments and relevant departments of the two sides, as well as entrepreneurs, will carry out extensive contacts and hold a series of talks on machinery, environmental technology, energy construction, and other fields.

Austrian Delegation Discusses Cooperation

*AU2710172193 Vienna WIENER ZEITUNG in
German 26 Oct 93 p 8*

[Unattributed report: "Lower Austrian Delegation to China: Successful Visit?"]

[Text] The trip to China by the Lower Austrian delegation, led by Deputy Governor Liese Prokop, is progressing positively. The establishment of contacts with the Chinese Mayors' Association proves to be a political and economic asset. Since 1991, the Chinese cities have been increasingly important; economic development, industrial policy, and joint ventures are, above all, their new main tasks.

In their talks with Austrian Ambassador Dietrich Bukowski, Prokop and Provincial Councillor Traude Votruba also made the negotiations on a Chinese exhibition in the Schallaburg Castle topical again. The economic talks are also progressing favorably—a first order has been fixed. The Felsing Company will build another 70 km of super-highway from Beijing to the Chinese Wall.

East Europe

Chi Haotian Receives Slovak Counterpart

OW3110112993 Beijing XINHUA in English 1046
GMT 31 Oct 93

[Text] Beijing, October 31 (XINHUA)—Chinese State Councillor and Defense Minister Chi Haotian met and hosted a dinner for Igor Urban, state secretary for national defense of the Slovak Republic, and his party here this evening.

In the meeting, Chi and Urban conversed on ways to develop relations between the armed forces of the two countries.

Urban is the first Slovak military leader to visit China since the Slovak Republic was founded early this year.

NPC's Chen Muhua Receives Official Visitors

Views Ties With Czech Industry Minister

OW0111114093 Beijing XINHUA in English 1121
GMT 1 Nov 93

[Text] Beijing, November 1 (XINHUA)—Vice-Chairwoman Chen Muhua of the Standing Committee of China's National People's Congress had a discussion on promoting Sino-Czech economic ties with visiting Czech Industry and Trade Minister Vladimir Dlouhy here today.

Chen told the visitor that China wants to make joint efforts with Czech to push forward trade and economic cooperation between the two countries.

Dlouhy arrived here yesterday with the purpose of exploring possibilities for strengthening Czech's economic cooperation with China and seeking ways and means for expanding trade between them.

Meets Polish Women's League Group

OW2310121393 Beijing XINHUA in English 1058
GMT 23 Oct 93

[Text] Beijing, October 23 (XINHUA)—Chen Muhua, vice-chairwoman of the National People's Congress (NPC) Standing Committee and president of the All-China Women's Federation (ACWF), met with and feted a Polish women delegation here this evening.

During their meeting, Chen and Izabela Jaruga, president of the Polish Women's League and head of the delegation, exchanged views on how to enhance the friendship between the women of the two countries.

The four-member delegation arrived here yesterday as guest of the ACWF. They are also scheduled to visit Hangzhou, Wuxi and Shanghai in east China.

Romanian Leaders Meet NPC's Xu Xin, Delegation

OW3110165993 Beijing XINHUA Domestic Service in Chinese 1450 GMT 27 Oct 93

[By reporter Zheng Jian (6774 1017)]

[Text] Bucharest, 27 Oct (XINHUA)—Romanian President Iliescu and Prime Minister Vacaroiu met separately on 27 October with a delegation of the National People's Congress [NPC] Chinese-Romanian Friendship Group. The delegation was headed by Xu Xin, NPC deputy and chairman of the group.

When he met the delegation, Iliescu said Romania is pleased with the rapid development of China's economy and is paying special attention to the experience of China's special economic zones in coastal areas. The Romanian president said when he visits Asia and China in the near future, he will certainly go to observe and study the experience of China's special economic zones. He said the change in international conditions, particularly the economic sanctions against Yugoslavia, as well as the tensions in various areas of the former Soviet Union, have produced an unfavorable impact on Romania's economic life. Under these circumstances, Romania attaches special importance to developing economic and trade relations with China.

When he met with the delegation, Vacaroiu said Romania is confronted with many complex and difficult problems as it is an important juncture of shifting its economy to a new orbit. Therefore, exchanging experiences and views with China is very important for Romania. He praised the parliaments of the two countries for maintaining and developing friendly and cooperative relations and for playing a positive role in promoting cooperation in all fields between the two countries, especially economic and trade cooperation. He expressed the hope that the two countries will conclude a new agreement on economic and trade cooperation, as well as a new agreement on cultural, scientific, and technological cooperation at an early date.

Xu Xin and his entourage, six in all, arrived in Romania on 21 October for a week-long visit. The speaker of the Romanian House of Deputies, chairmen of parliamentary groups from various political parties, chairman of the parliamentary group for Romanian-Chinese friendship, the Romanian foreign minister, the minister of trade, and the minister of agriculture and food industry met with the delegation separately.

PLA Official Meets Romanian Military Procurator

OW2610131593 Beijing XINHUA in English 1228
GMT 26 Oct 93

[Text] Beijing, October 26 (XINHUA)—General Yu Yongbo, director of the General Political Department of the Chinese People's Liberation Army, met with a delegation

from Romania headed by M. Cherecheanu, procurator of the Military Procuratorate of Romania.

The Romanian guests arrived in Beijing yesterday, and they are also scheduled to travel to Shanghai and Hangzhou.

Hungarian Parliament Leader Szabad Ends Visit

*OW0111031193 Beijing XINHUA in English 0241
GMT 1 Nov 93*

[Text] Budapest, October 31 (XINHUA)—Gyorgy Szabad, president of Hungary's National Assembly (parliament) told press today that he believes the trade value between his country and China can increase much this year.

Great potentials in economic ties between the two countries still await utilization, he said at the Budapest airport returning from his visit to China last week at the invitation of the National People's Congress of China.

He also said, "I was greatly impressed with the speedy growth of China's economy," predicting that China is to play more important role in world's politics and economy before too long.

He specifically praised Beijing, which is marching towards the biggest modernized city in the world in view of its civil administration and the size of construction of transport.

Guangdong Province enjoys a swift development aided by favorable policies that have drawn tremendous foreign funds especially to the technological development zones, he added.

Szabad said he has had talks with Chinese leaders on bilateral ties, saying China is expected to take part in an international fair scheduled for 1996 in Hungary.

He also declared increased exchanges and mutual visits between the legislative organs of the two countries.

Political & Social**Volume Three of Deng's 'Selected Works' Published****High-Speed Growth Call Noted**

OW3010045293 Tokyo KYODO in English 0439 GMT
30 Oct 93

[Text] Hong Kong, Oct. 30 KYODO—Chinese patriarch Deng Xiaoping has called for high-speed economic development tempered by measured macroeconomic controls, a Beijing-funded newspaper said Saturday [30 October].

Deng set out his views on the need for rapid growth in a recent analysis of the ruling Communist Party's basic policy line, the WEN WEI PO said, quoting authoritative sources in Beijing.

"Slow development is not socialism," the 89-year-old recluse was quoted as saying. Deng also revived his old economic slogans, including a pledge that China's reforms will not change for 100 years.

Deng's ideas have been incorporated into the third official volume of his Selected Works due for publication Tuesday, the WEN WEI PO said.

They will also dominate the agenda of the party's key Central Committee Plenum next month which is expected to endorse a fresh round of economic reforms.

Well-placed sources in Beijing told KYODO NEWS SERVICE on Saturday that the plenum will convene around November 10 and last about four days.

The meeting will address problems relating to taxation, investment, foreign trade, state finances and management reforms within the public sector, the sources say.

Top leaders, including Communist Party chief Jiang Zemin and Premier Li Peng, have also endorsed Deng's line in recent speeches around the country, the WEN WEI PO said.

Deng's clarion call for continued high-speed growth appears to signal an end to a five-month austerity program launched by Vice Premier Zhu Rongji.

Analysts say recent contradictory statements by Chinese officials on the current status of the much-vaunted retrenchment policy suggest that the leadership is deeply divided on the issue.

On Friday, the WEN WEI PO quoted central bank officials as saying Beijing has decided to end the current credit squeeze and boost lending in the final quarter of the year.

Deng's call for fast growth coupled with strong central financial controls may, therefore, be an attempt to find the middle ground and promote party unity.

Senior leaders unanimously support Deng's theory that "only development passes the test of reason," the WEN WEI PO quoted an authoritative source as saying.

Chapters on Hong Kong Listed

HK0211083993 Hong Kong TA KUNG PAO in Chinese
2 Nov 93 p 2

["Special dispatch" by staff reporter Kung Shuang-yin (7255 7175 0603): "Deng Xiaoping's Selected Works (Volume Three) Has Been Published; Jiang Zemin Will Make Important Speech at Study, Report Meeting Today"]

[Text] Beijing, 1 Nov (TA KUNG PAO)—Volume Three of Deng Xiaoping's Selected Works has been published already. Tomorrow, the CPC Central Propaganda Department will hold a study and report meeting at the Great Hall of the People at which General Secretary Jiang Zemin will make an important speech.

Volume Three of Deng Xiaoping's Selected Works contains 119 important works by Deng Xiaoping from September 1982 to February 1992, many of which are being published for the first time. The first chapter is the opening speech given by Deng Xiaoping at the 12th CPC National Congress on 1 September 1982 and the last chapter is his important remarks during his southern tour from 18 January to 21 February 1992, entitled "Main Points of Remarks Given in Wuchang, Shenzhen, Zhuhai, Shanghai, and others." During the book's compilation, Deng Xiaoping examined the whole draft, chapter by chapter.

Volume Three of the Selected Works has seven chapters on the question of Hong Kong, namely "My Basic Position on the Question of Hong Kong" (being remarks made when he met with former British Prime Minister Margaret Thatcher on 24 September 1982); "One Country, Two Systems" (being remarks made when he met with the delegation of Hong Kong industrialists and businessmen, and with celebrated Hong Kong personalities, including Chung Sze-yuen on 22 and 23 June 1984); "We Have a Great Concern for Hong Kong's Transition Period" (being remarks made when he met with former American [as published] Foreign Secretary Geoffrey Howe on 31 July 1984); "Maintain Hong Kong's Prosperity and Stability" (being remarks made when he met with the delegation of Hong Kong and Macao compatriots attending the National Day ceremony on 3 October 1984); "China Keeps its Promises" (being remarks made when he met with former British Prime Minister Thatcher on 19 December 1984); "Remarks Made When He Met With Members of the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region" (on 16 April 1987); and "Hong Kong's Basic Law Is of Historic and International Significance" (being impromptu remarks when he met with the entire committee membership attending the Ninth Meeting of the Drafting Committee for the Basic Law of the Hong Kong Special Administrative Region). Four chapters in the selected works are partly related to the question of Hong Kong, of which two have more contents regarding the question of Hong Kong, namely the "Speech at the Third Plenary Session of the CPC Central Advisory Commission" given on 12 October 1984 and the conversations with all participants in the International Conference on China and the World in the 1990's held in 3 June 1988.

Tiananmen 'Crackdown,' 'Purge' Ordered

HK0211115493 Hong Kong AFP in English 1106 GMT
2 Nov 93

[Text] Beijing, Nov 2 (AFP)—Chinese leader Deng Xiaoping was responsible for the 1989 Tiananmen Square crackdown, and he ordered a nationwide purge afterwards, according to a collection of his statements released Tuesday.

In the aftermath of the crackdown, Deng said that it was a perfect chance for the Communist Party to ban all dissident groups that were set up during the pro-democracy movement, according to the book, a compilation of speeches from 1982 until February of last year.

Dealing with the dissident groups would mark a "big victory," Deng said.

The question of who actually ordered the Chinese army to send in tanks and troops to crush the movement has, officially at least, remained a question mark until now.

But Deng acknowledged that he was at least partly responsible during a talk with a Chinese-American professor, Li Zhengdao, here in September 1989.

He said that his now disgraced hand-picked successor, former party chief Zhao Ziyang, tried to split the party that led to the military showdown. [sentence as received]

"It was a good thing I was there, (so) handling it wasn't difficult. Of course, I wasn't the only person who played a role," Deng said.

According to the book, which Deng "examined and approved," the 89-year-old leader said that the goal of the crackdown "was to harm the people, especially the students, as little as possible."

It also claims that Deng instructed that the ensuing purge be carried out according to the law.

Deng also said that a civil war would have ensued if the "instigators of the turmoil succeeded," and spoke of a possible invasion of China by foreign forces after the crackdown.

Two recurring themes were evident in Deng's speeches after 1989: that China must pursue its open door and reform policies, but that it would never bend to foreign pressure, especially from the United States.

"Without reform there is no hope," Deng was quoted as saying during the meeting with his Chinese-American guest.

Publication Viewed as 'Major Event'

OW0211074793 Beijing XINHUA in English 0713
GMT 2 Nov 93

[Text] Beijing, November 2 (XINHUA)—The Third Volume of *The Selected Works of Deng Xiaoping* was published and distributed nationwide today.

The book was edited by the Editorial Committee on Party Literature of the Central Committee of the Communist Party of China (CPC) and published by the People's Publishing House.

Deng Xiaoping, the core of the CPC's second-generation leadership, is the chief architect of China's socialist reforms and opening and modernization drive, and the creator of the theory of building socialism with Chinese characteristics, which is Marxism of contemporary China.

The publication of the Third Volume of his Selected Works is a major event in the political life of the party and the people and is of great significance.

The Selected Works of Deng Xiaoping (1938-1965) and *The Selected Works of Deng Xiaoping (1975-1982)*, published in 1989 and in 1983 respectively, will be renamed the first and second volumes of *The Selected Works of Deng Xiaoping* when they are published in their second editions.

The Third Volume of *The Selected Works of Deng Xiaoping* contains his 119 important pieces of works in the period from September 1982 to February 1992, and most of them are published for the first time.

The works, originally published in the booklets *Building Socialism With Chinese Characteristics (Revised and Enlarged Edition)* and *Important Speeches by Comrade Deng Xiaoping (February-July 1987)* and in newspapers, have been compiled into the Third Volume with emendations to the texts. Many of them have been supplemented with important materials according to the transcription.

The compilation was done under the guidance of the author, and all essays were examined and approved by him.

"The Opening Address to the 12th National Congress of the Communist Party of China" is the first essay in the Third Volume of Deng's works, and the concept of "building socialism with Chinese characteristics" put forward in the opening address is the theme of the whole book.

"Major Points of Speeches Made in Wuchang, Shenzhen, Zhuhai and Shanghai" from January 18 to February 21, 1992 is the concluding section, representing the guideline and summary of the book.

The time span of the essays selected is ten years. During the decade, the Chinese people of all nationalities led by the CPC created a new situation in the reforms, opening to the outside world and modernization construction; the party and the people constantly explored, gained experience and made progress on the road to build socialism with Chinese characteristics; and they witnessed disturbances at home and drastic changes in the international situation. Meanwhile, it was also a decade in which comrade Deng Xiaoping's theory of building socialism with Chinese characteristics was increasingly enriched, improved and continuously developed.

The Third Volume of *The Selected Works of Deng Xiaoping* contains a vivid record of the history of the past ten years and highlights new theoretical developments in the period.

All essays relate to major domestic and international issues. They are rich in content, focus strongly on practical problems and reflect the distinctive characteristics of the times.

In the period, Comrade Deng Xiaoping raised a series of new ideas, new views and new concepts. They include the

essence and fundamental tasks of socialism; the primary stage of socialism; the criterion for judging the success or failure of work in various fields being whether it helps develop the productive forces of the socialist society, strengthen the overall capacity of the country and improve the people's living standards; the three-step economic development strategy; grasping opportunities and accelerating development so as to promote the national economy to a new stage every few years; science and technology as the No. 1 productive force; undertaking reforms as the second Chinese revolution; China's development as being inseparable from the world's and opposition to self-confinement and self-isolation; no fundamental contradictions existing between socialism and the market economy; the necessity of fitting the reform of the political system to the restructuring of the economy; emphasis on fostering both material progress and cultural and ideological progress, and attaching equal importance to both; the principle of "one country, two systems"; adhering to socialism, stopping disturbances and preventing peaceful evolution; the necessity of guarding against the "right deviation" but mainly preventing "left tendencies"; adhering to the party's basic line of "one central task and two basic points" for 100 years; peace and development being the two top priorities in the modern world; establishment of a new international order in line with the five principles of peaceful co-existence; observing the international situation with a sober mind, standing steadfast and facing the changes calmly; the key for the questions of China being proper management of the internal affairs of the Communist Party; and construction of honest government and fighting against corruption. There are many other important concepts.

The Third Volume of the Selected Works of Deng and his Selected Works (1975-1982) concentrate on the formation and development of the theory of building socialism with Chinese characteristics. They are the inheritance and development of Marxism-Leninism and Mao Zedong Thought, a treasure of the CPC and the Chinese nation and cornerstone works of Marxism in contemporary China.

The 14th National Congress of the CPC called for using Deng Xiaoping's theory of building socialism with Chinese characteristics to arm the whole party. The publication of the Third Volume of *The Selected Works of Deng Xiaoping* provides the ideal textbook and most powerful weapon for implementation of the strategic task. It has immediate guiding importance and far-reaching historical significance for further unifying the thinking, inspiring the people, opening a new path and accomplishing new historic tasks.

'Long Queues' Form To Buy Book

OW0211091493 Beijing XINHUA in English 0859
GMT 2 Nov 93

[Text] Beijing, November 2 (XINHUA)—Long queues were formed in front of all major bookstores in the Chinese capital as the Third Volume of *Selected Works of Deng Xiaoping* was on sale today.

As soon as the XINHUA bookstore in downtown Wangfujing opened at 9:00 a.m., long lines of eager buyers rushed to

the two counters selling the new volume, which was also displayed on four bookshelves.

Lu Jiemin, general manager of the Beijing XINHUA bookstores, described the publication of the new volume as a matter of "vital importance" in the Chinese people's political life.

"I think the publication will provide a powerful weapon for the Chinese Communist Party to arm itself with the theory of building socialism with Chinese characteristics spelled out by the 14th national congress of the party, held in 1992," he said.

Wang Baoshan, 29, who is a Beijing municipal government official, said, "I think under the current situation of the reform and opening to the rest of the world, young people should study more theories to guide their actions."

"I think Deng's theory is the continuation of Marxism-Leninism and Mao Zedong Thought. It is the best development of Mao Zedong Thought and conforms closely with the reality in China," he said.

"Volume Three of Deng's Selected Works highlights Deng's expositions on the reform and opening up. That is why we should study it more conscientiously," he said.

Zhou Linmin, an employee of the Wangfujing Department Store, said that she had read the first two volumes of Deng's works carefully. "We're much more interested in Volume Three because Deng's ideas on the economy will help us run our business more efficiently," she said.

Liu Xuejun, a worker at the Beijing Municipal Institute on Ideological and Political Work, said that the new book will enable "us to study how to improve our political and ideological work under the current new situation."

Zhang Yuguo, a soldier at the Beijing garrison, said, "we're very familiar with Deng's works because we often read newspapers. Of course, we should read his new book as soon as we get it."

The moment Huang Zongpu bought a copy of Volume Three, he began reading. "We have been looking forward to the publication of this book for a long time. I think it will enable us to gain a better understanding of the theory of building socialism with Chinese characteristics," said Huang, an engineer at the Beijing Research Institute of Special Motor Vehicles.

Volume Three of the *Selected Works of Deng Xiaoping* contains Deng's major speeches from September 1982 through February 1992.

Most of the 119 speeches were released for the first time. These include "Ideas on the Peaceful Reunification of the Chinese Mainland and Taiwan," "The Use of Foreign Intellectual Resources and Opening China Wider to the Outside World," "New Measures To Stabilize the World Situation," and "We Pay Close Attention to the Transitional Period in Hong Kong."

Offices and institutions in Beijing have to date ordered 60,000 copies of the book.

Meng Fanhong, general manager of the Wangfujing XINHUA bookstore, predicted that more copies will be ordered in the near future. "We've arranged 355,000 copies for our readers," he said.

Jiang Urges Study of Deng's Works

OW0211131193 Beijing XINHUA in English 1249
GMT 2 Nov 93

[Text] Beijing, November 2 (XINHUA)—The Chinese Communist Party today called on all party members to conscientiously study Volume Three of the *Selected Works of Deng Xiaoping* in light of the new developments in the reform, opening up and in the modernization drive.

Addressing a meeting held by the party Central Committee in the Great Hall of the People, Jiang Zemin, general secretary of the Chinese Communist Party, stressed the importance of arming the whole party with the theory of building socialism with Chinese characteristics spelled out by the 14th national congress of the party held last year.

He also called for efforts to improve and strengthen party building and fully display the party's role in leading China's socialist modernization drive.

Premier Li Peng said that the meeting was designed to mobilize party members to conscientiously study Deng Xiaoping's theory of building socialism with Chinese characteristics.

He also urged party members to further unify their thinking, solidify their political belief, resolutely implement the party's basic line of taking economic construction as the central task, and accelerate the reform, opening up and modernization drive.

Hu Jintao, a Standing Committee member of the Political Bureau of the party Central Committee, read a decision of the party Central Committee on the study of Volume Three of the *Selected Works of Deng Xiaoping*.

The document describes the publication of the new volume as a matter of "vital importance" in the political life of the party and state and demands that all party members study the new book conscientiously.

It says that, led by the party Central Committee headed by Jiang Zemin and guided by the theory of building socialism with Chinese characteristics, and never wavering in the party's basic line, the whole party, the whole Army and the people of all nationalities throughout the country must work hard to achieve modernization and make China a "prosperous and democratic modern socialist country with a high level of civilization."

In his speech, Jiang Zemin stressed that arming the whole party with Deng Xiaoping's theory of building socialism with Chinese characteristics is an "urgent need" to push forward the reform, opening up and socialist modernization drive.

That approach is also a major measure to strengthen and improve party-building under the current period and a "fundamental guarantee" for never wavering in following the party's basic line, he told the meeting attended by all

Standing Committee members of the Political Bureau of the party Central Committee and Chinese Vice-President Rong Yiren.

He said the publication of the new volume of Deng Xiaoping's *Selected Works* has provided the "best textbook and the most powerful weapon" for arming the whole party with the theory of building socialism with Chinese characteristics, educating officials and the people, and correctly following the party's basic line.

Volume Three of Deng's works contains his major works and speeches during the 1982-92 period, Jiang said.

He also praised the new volume as a theoretical summary of rich experience in China's reform, opening up and modernization drive over the past decade and as a "scientific guide to us on the road of victorious advance."

Jiang said that Deng's theory of building socialism with Chinese characteristics serves as the greatest theoretical achievement made by the party over the past 15 years.

That theory is also a "valuable ideological treasure" of the party, a great banner for promoting the socialist cause and a powerful ideological pillar for invigorating the Chinese nation, the leader said.

Only with that banner and pillar will the 50 million-member party be able to bolster its fighting capabilities and China with a population of 1.1 billion be able to achieve greater rallying power, the leader told the meeting.

Deng Xiaoping's oft-repeated ideological line of "emancipating our minds and seeking truth from facts" is the "essence" of all viewpoints relating to the theory of building socialism with Chinese characteristics, he noted.

The leader called on all party members to follow that line unswervingly, noting: "While studying the new volume of the *Selected Works of Deng Xiaoping*, we must always keep to that essence."

A major subject stressed repeatedly in the new volume is that only socialism can save China, that only socialism can develop China and that "the socialism we adhere to is socialism with Chinese characteristics," Jiang said.

In adhering to socialism, it is, first of all, imperative to make clear the basic theoretical question of what socialism is and how to build socialism, he said.

"While studying the new volume of the *Selected Works of Deng Xiaoping*, we must always pay close attention to the utmost importance of this basic theoretical question," he told the meeting.

The leader also noted that the theory of building socialism with Chinese characteristics is a scientific theory in which socialism is integrated with patriotism.

He described patriotism combined with socialism as the "great ideological driving force" that binds the Chinese nation together and promotes China's development.

He pledged always to safeguard China's independence and persist in invigorating the Chinese nation, adding: "We're full of confidence in the future of socialism."

Jiang hailed Deng Xiaoping as the chief architect of China's socialist reform and opening policies and modernization construction, and the founder of the theory of building socialism with Chinese characteristics.

Through long and arduous revolutionary experiences, Deng Xiaoping has fostered an outstanding revolutionary approach, Jiang said. He called on the party members, especially leading officials, to learn from and uphold the revolutionary approach, in order that the Chinese Communist Party may maintain its vigorous fighting capability and creative power.

Studying the Third Volume of Deng's works and mastering the basic experiences, theories and lines created by the second generation of the central leadership with Deng at the core will surely make all the Communist Party members fully confident and better able to accomplish the tasks of the 1990s and stride victoriously forward into the 21st century, Jiang Zemin said.

The party chief noted that the study will help unify the thoughts of all the party members and promote their consciousness, steadfastness and creativity in adhering to the basic theories and lines of the party.

Leading members of all party, government and army departments in Beijing and of various provinces, autonomous regions and municipalities under the direct administration of the central government were present at the meeting.

Daily's Editorial Hails New Volume

OW0211140393 Beijing XINHUA in English 1340
GMT 2 Nov 93

[Text] Beijing, November 2 (XINHUA)—The "PEOPLE'S DAILY" [RENMIN RIBAO], in an editorial to be published tomorrow, hails the publication of the Third Volume of *The Selected Works of Deng Xiaoping*.

China's leading newspaper says that the party, the Army and people of all nationalities are happy to see the publication of this third volume.

It notes that the publication of Deng's works will have an important impact on accelerating the reforms and opening up, promoting the continuous, rapid and healthy growth of the national economy, enhancing the material progress and cultural and ideological progress and ensuring a good job in party building.

The editorial says that in the new period after the Third Plenary Session of the 11th Central Committee of the Communist Party of China (CPC), Deng Xiaoping summed up the experiences and lessons of the successes and setbacks in China's socialist construction as well as drew on the experiences and lessons of the successes and setbacks of socialism in other countries.

He put forward the theory of building socialism with Chinese characteristics in the practice of leading the Chinese people to carry out economic reforms and opening to the outside world, the editorial says.

It adds that the Third Volume of *The Selected Works of Deng Xiaoping* contains important essays, ranging from his

striking theme of constructing socialism with Chinese characteristics, raised at the 12th National Congress of the CPC, to his important speeches made in his south China inspection tour in 1992.

The Third Volume of Deng's *Selected Works*, and the Second Volume of his works published ten years ago, the editorial continues, show the historical process of the formation of the theoretical system of building socialism with Chinese characteristics.

The editorial points out that the study of the Third Volume must grasp the strategic thought and theoretical viewpoints in the building of socialism with Chinese characteristics.

It calls for serious study of Deng's scientific attitude, creative spirit and revolutionary style in exploitation of the marxist stance, viewpoints and methods in his study of new conditions and solving new problems.

It says that history has proved and it will further prove that the CPC is the party which is good at creating theories, at guiding practice with correct theory and promoting historical progress.

The editorial says that through the study of the Third Volume the whole party will further its confidence in the fundamental theory of the party and be more steadfast to the party's basic line.

It calls on the whole party under the leadership of its Central Committee with Jiang Zemin as its core to unite the Chinese people of all nationalities to fulfil the historical tasks, win new victories and advance toward the 21st century.

Deng Aims Remark on Third Volume of Works at Zhu

HK3010083193 Hong Kong LIEN HO PAO in Chinese
29 Oct 93 p 10

[Article by Yue Jen (6390 0086): "Publication of *Selected Works of Deng Xiaoping* Affects Political and Economic Situation; Zhu Rongji's Macroeconomic Regulation and Control Is Not Affirmed, and Control Over Loans Will Be Lifted Next Month"]

[Text] The scheduled 2 November publication of the *Selected Works of Deng Xiaoping*, Volume Three, recently has become a great event that has greatly attracted the attention of people throughout the mainland. They attach far greater importance to this publication than to the Third Plenary Session of the 14th CPC Central Committee, which is to define the overall market economic framework and its basic arrangements. It is their publication at this precise moment that has given this selection of works, which it has taken Deng Xiaoping 10 years to complete, highly directional and immediate significance.

With Deng Xiaoping currently in Shanghai, many top CPC leaders have gone south one after another. Yesterday, Jiang Zemin, Li Peng, and Qiao Shi went to Shanghai to attend a meeting of nonpolitical significance. From this event people can sense that something has happened. Prior to this, Zhu Rongji left Shanghai for Beijing.

On the publication of the *Selected Works of Deng Xiaoping*, Volume Three, Deng Xiaoping remarked that this was his "political justification" [jiao dai 0074 0108] which "serves our purpose at present." To put it another way, this means political reality. Deng Xiaoping also stressed that "we must remind ourselves of the party's basic line each and every month," that we must notice the tendency of deviating from the party's basic line and principles. He particularly stressed that "development is the last word" [fa zhan cai shi ying dao li 4099 1455 2088 2508 4289 6670 3810]. Only when development is achieved can things be handled easily. It must be understood that in solving all contradictions at home and abroad and in solving all problems thoroughly, in the final analysis we must rely on economic development. Not seizing opportunities is the biggest mistake."

It is quite clear that in the eyes of local princes, these remarks by Deng clearly are directed at something, namely, those leaders at the higher echelons who allegedly "have hindered high-speed economic development" in the past year. This is a direct criticism of Zhu Rongji, who has come to the fore recently to vigorously advocate "macroregulation and control." As everybody knows, overall retrenchment through "macroregulation and control" is aimed at rectifying "overheated economic growth," such as the crazes for real estate, stocks, and development zone, all were triggered by Deng Xiaoping's southern tour. Jiang Zemin explained macroregulation and control in Shanghai in May this year. At that time, when some one hinted to know Deng's views, he ambiguously remarked: "I have asked Xiaoping"; he was unable to state Deng's views. Word circulated among a small circle of people that as early as January this year, praising an article opposing the launch of another economic improvement and rectification drive for overall retrenchment, Deng said: "It seems that there are people who want to settle accounts with the southern tour." To date, however, it remains difficult to reach a correct final conclusion on a correct understanding of the views.

Alone in the limelight over the last few months, Zhu Rongji has pursued macroregulation and control on center stage. Although he won the verbal support of Jiang Zemin and Qiao Shi, he found his job getting tougher and tougher because ultimately too many people were offended. These, first, are the sons of influential senior officials. It must be borne in mind that those who are engaged in real estate and stock trading and who have the authority to borrow money in large quantities are these princes of the blood [gui zhou 6311 5153], rather than ordinary people. Second, are the princes in various provinces and localities. Naturally, macroregulation and control served as a head-on blow at the coastal provinces. Moreover, western provinces complained at their newly found opportunities being taken away again. Therefore, since July and August, the princes have "sobered up" one after another and have begun to resist. Third, are the hundreds of thousands of companies engaged in the circulation sector, medium-sized and small overseas investors, and large and medium-sized enterprises on the mainland. Currently, these forces are converging into a single force, putting up head-on "confrontation," or sticking to their old way of doing things so that macroregulation and control increasingly will become a mere skeleton. The last

and probably the most important thing is that Deng Xiaoping has not made any public affirmation of the measure.

Since August of this year, there have been indications that macroregulation and control has begun to enter a predicament. The economy has begun to slow down as a result. In foreign trade, exports in the first half of the year witnessed the first serious deficit seen in the last several years. It is said that at the August central economic work meeting, which made a decision on reinstating Li Peng, Li Peng delivered a speech in which he maintained that the issue at present is one of faster reform and not of overall retrenchment. Beyond all expectations, he upheld the banner of reform. In the middle 10 days of September, Beijing repeatedly issued reports about "macroregulation and control has yielded initial results," floating the signal that the matter "is going to be wound up." In the last 10 days of the month, RENMIN RIBAO frontpaged a report about the financial situation, making sharp criticisms that "China's credit market has disappeared" and "we have taken charge of large and medium-sized enterprises, a thing we ought not to do." In early October, the revised speech of Jiang Zemin at the Zhongnanhai economic work meeting of 10 provinces was published. Departing from his previous arguments, Jiang stressed that "development is the last word and it does not work to decrease our speed" and said it was necessary to "unswervingly implement the principle of seizing opportunities and accelerating development," thus causing a sensation throughout the nation. On 23 October, at the ceremony to mark the opening of the Yangpu Bridge in Shanghai, Zhu Rongji made an open speech, but major newspapers in Beijing, as well as the Central Television Station, made no mention of the speech. This aroused people's attention all the more.

Currently, people in the economic circles and princes in various provinces are fully prepared for another upsurge. Control over loans will be lifted next month (November) and the stock and real estate traders are bullish about transactions in the coming winter and spring. Deng Xiaoping's remarks on the publication of the *Selected Works of Deng Xiaoping* served as snow plus frost to Zhu Rongji, who carried out macroregulation and control using the methods of the planned economy, as one may well say, and is also very detrimental to the negotiations he is carrying on now with the princes of various provinces for "more money"—negotiations on a tax-sharing system. In fact, accelerating the pace of economic development and of macroregulation and control are not mutually exclusive. Any healthy economic growth must be built on an efficient and standard foundation. This is not a question of the East Wind prevailing over the West Wind, or vice versa; it is a matter of one complementing the other. Nevertheless, a universal misunderstanding of the issue can be found in the CPC and among high officials.

Li Peng Inspects Tianjin, Discusses Development
OW0211024593 Beijing XINHUA Domestic Service in
Chinese 1355 GMT 1 Nov 93

[By reporters Sun Benyao (1327 2609 1031) and Xia Lin (1115 2651)]

[Text] Tianjin, 1 Nov (XINHUA)—While inspecting Tianjin, Premier Li Peng stressed that socialist, publicly-owned enterprises can still be operated efficiently as long as they deepen reforms, gear their operations to market needs, strengthen scientific management, and upgrade their science and technology as well as carry forward their fine traditions during the course of building a socialist market economy.

Li Peng arrived in Tianjin by car on the afternoon of 30 October. He inspected Tianjin on 31 October and 1 November in the company of Tianjin party committee Secretary Gao Dezhen, Tianjin Mayor Zhang Lichang, and Minister of Metallurgy Liu Qi.

Li Peng arrived at the Tianjin Steel Pipe Corporation located in the city's eastern suburbs on the morning of 1 November. The corporation is another major metallurgical industry project built after the Baoshan Iron and Steel Complex, and it is also the largest manufacturer of seamless steel pipes in China. The smelting, casting, rolling machines, and other processing equipment were purchased from Germany, the United States, and Italy, and their technology is among the most up to date of the 1990's. The enterprise—the construction of which started at the end of 1989—produced its first heat of steel in June 1992 and the first pipes in December. The quality of the 300,000 tonnes of billet and the 55,000 tonnes of oil pipelines it produced and rolled during the first 10 months of this year measured up to world standards.

Li Peng has always been interested in the progress of this key state project. After hearing a briefing by a responsible comrade of the engineering headquarters, he put on a helmet and visited the smelting and rolling plants and the pipeline processing plant—which had just started its hot-load [re fu he 3583 6298 5440] test run—to inspect their operations and visit cadres, workers, and foreign experts busily working there.

Premier Li Peng said to cadres and workers of the modern rollers: I am very glad to see the Tianjin pipe project has been completed quickly and is producing products which conform to standards. Comrade Jiang Zemin attaches great importance to the role played by large and medium enterprises. Yours is a new enterprise. You have advanced equipment, your high quality products have buyers, and you do not have the burdens of the old enterprises. You should operate according to the new socialist market economic system from the very beginning and you should manage your enterprise with scientific and advanced managerial expertise. Moreover, when you improve party leadership, intensify spiritual construction, and carry forward our fine traditions, you will be fully capable of becoming one of the top-rated, modern enterprises in the world. Socialist, publicly-owned enterprises can still become efficiently operated enterprises.

At about 0900 on 31 October, Li Peng ascended the 415.2-meter tall Tianjin Radio and Television Tower by high speed elevator. Displaying keen interest, he visited the television transmission room, the heart of the tower. Standing in front of the monitoring panel made up of 21 color screens, he inquired of the engineers there about the

transmission of China Central Television's first and second networks via earth stations receiving satellite signals. The completion of the tower, which is currently the tallest in Asia and the third tallest in the world, has substantially broadened the areas of radio and television coverage. The tower has also become Tianjin's symbol.

After hearing a briefing, Li Peng pointed out that radio and television broadcasts are very important ways to transmit information in a very timely manner. He hoped Tianjin's radio and television services will become even better with more and better programs, and will serve reform, opening up, and spiritual and material construction.

During the inspection, Li Peng also heard a briefing by the Tianjin municipal party committee about Tianjin. Expressing pleasure over Tianjin's changes, Li Peng said: Guided by Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics, Tianjin's development has been fast, its economic efficiency is increasing at the same time, and the city's overall situation is good. Commenting on capital construction projects, Li Peng said that projects must yield results and their starting points must be high. He pointed out: We must attach great importance to housing construction which will continue to be the people's conspicuous need in the time to come. He stressed that continuous efforts must be made to make a success of the food basket project. He said: Township and town enterprises now face vigorous competition, but they cannot really compete unless they gear their operations to market needs, and upgrade their goods and production technology. In conclusion, Li Peng said: Tianjin is a port city and a communications center. You have an old city's foundation, your science and technology is quite strong, and you have large tracts of land that can be developed for use. Thus you should demonstrate your strengths so that your economy can develop in a sustained, fast, and healthy manner.

Central Leadership Moving To 'Bolster' Power

HK0211034493 Hong Kong SOUTH CHINA MORNING POST in English 2 Nov 93 p 1

[Text] China's communist leadership is set to further tighten central control over regions and national affairs to bolster its rule after Deng Xiaoping dies, according to sources. Senior leaders had conceded in internal meetings that preparations were underway to ward off any crisis following the death of the 89-year-old patriarch, a source said yesterday.

"Out of respect for the paramount leader, they did not want to come out and say they were making preparations. But, privately, they admit that something has been and will be done," a source said. He said top leaders were confident that the "solid leadership of the party, government and military" would be able to tackle any major crisis in the post-Deng era.

There would be no major change to the "Jiang-Li" axis in the short-term future the source said, referring to the leadership of the Communist Party under Jiang Zemin and the State Council under Li Peng.

The source said the main measure to prepare for changes in the post-Deng era was to regain central control over regions. Tough measures would be taken so the Central Government regained power over economic and financial matters. The source said the policy of rotation of leaders in localities would be intensified to curb regionalism.

It is understood that heads of major southern provinces—including Guangdong and Fujian, and cities are likely to be changed in the next few months.

Similarly, a reshuffle at the senior echelon of the People's Liberation Army has also been quietly taking place to beat regionalism. A source said more than 1,000 PLA commanders had been given internal transfers since the 14th Party Congress.

Meanwhile, the chief editor of the Hong Kong-based magazine *Wide Angle* [KUANG CHIAO CHING], Lee Kwok-keung, who interviewed Mr Li a fortnight ago, said the Prime Minister's close aides told him Mr Li had not submitted his resignation, as reported by some foreign media.

Presidential Decrees Promulgate NPC-Approved Laws

Consumer Protection Law

OW0111001293 Beijing XINHUA Domestic Service in Chinese 0929 GMT 31 Oct 93

[Text] Beijing, 31 Oct (XINHUA)—Decree No. 11 Issued by the President of the People's Republic of China

"The Law of the People's Republic of China on Protecting Consumers' Rights and Interests" was adopted by the Fourth Meeting of the Standing Committee of the Eighth National People's Congress on 31 October 1993. The law is hereby promulgated and shall go into force on 1 January 1994.

[Signed] Jiang Zemin, president of the People's Republic of China

[Dated] 31 October 1993

Income Tax Law Revision

OW0211053093 Beijing XINHUA Domestic Service in Chinese 0203 GMT 1 Nov 93

[Text] Beijing, 1 Nov (XINHUA)—PRC Presidential Decree No. 12

The "Decision of the National People's Congress Standing Committee [NPC] on Revising the 'PRC Law of Personal Income Tax'" has been adopted at the Fourth Session of the Eighth PRC NPC Standing Committee on 31 October. It is now promulgated for implementation, beginning 1 January 1994.

[Signed] Jiang Zemin, president of the People's Republic of China

[dated] 31 October 1993

Registered Accountants' Law

OW0211052893 Beijing XINHUA Domestic Service in Chinese 0204 GMT 1 Nov 93

[Text] Beijing, 1 Nov (XINHUA)—The "PRC Law Governing Registered Accountants" has been adopted at the Fourth Session of the Eighth PRC National People's Congress on 31 October 1993. It is now promulgated for implementation, beginning 1 January 1994.

[Signed] Jiang Zemin, president of the People's Republic of China

[Dated] 31 October 1993

Red Cross Society Law

OW0211051893 Beijing XINHUA Domestic Service in Chinese 0134 GMT 2 Nov 93

[Text] Beijing, 2 Nov (XINHUA)—PRC Presidential Decree No. 14

The "PRC Red Cross Society Law" has been adopted by the Fourth Session of the Eighth PRC National People's Congress Standing Committee on 31 October 1993. It is now promulgated for immediate implementation.

[Signed] Jiang Zemin, president of the People's Republic of China

[Dated] 31 October 1993

Further on Red Cross Law

OW0211082193 Beijing XINHUA in English 0800 GMT 2 Nov 93

[Text] Beijing, November 2 (XINHUA)—The Law on the Red Cross Society of the People's Republic of China (PRC) was promulgated here today under an order signed on October 31 by Chinese President Jiang Zemin.

The law has 28 articles in six chapters on the organization of the Red Cross, the rights and obligations of its members, the use of its emblem, the management of its funds and property, and its legal responsibilities.

According to the general provisions of the law, the Red Cross Society of China is defined as a social organization engaging in humanitarian work. It will abide by the constitution and laws, follow the fundamental principles of the International Red Cross and the Red Crescent movement, and work independently according to related conventions and rules.

The Red Cross Society of China will also promote friendly and cooperative relations with foreign counterparts according to the principles of independence, equality and mutual respect.

The law came into effect as of today.

Teachers' Law

OW0211051993 Beijing XINHUA Domestic Service in Chinese 0352 GMT 2 Nov 93

[Text] Beijing, 2 Nov (XINHUA)—PRC Presidential Decree No. 15

The "PRC Teachers' Law" has been adopted at the fourth session of the Eighth PRC National People's Congress on 31 October 1993. It is now promulgated for implementation, beginning 1 January 1994.

[Signed] Jiang Zemin, president of the People's Republic of China

[Dated] 31 October 1993

'Text' of Consumer Rights Protection Law

OW0111120093 Beijing XINHUA Domestic Service in Chinese 1308 GMT 31 Oct 93

[Text] Beijing, 31 Oct (XINHUA)—The Law of the People's Republic of China on Protecting Consumers' Rights and Interests

Adopted by the Fourth Session of the Eighth National People's Congress Standing Committee on 31 October 1993

Chapter I. General Principles

Article 1. This law has been formulated to protect the legitimate rights and interests of consumers, maintain socioeconomic order, and promote the healthy development of the socialist market economy.

Article 2. The rights and interests of consumers who buy or use commodities for purposes of daily consumption or those who receive services are protected by this law. In the absence of relevant provisions in this law, their rights and interests are protected by other laws and regulations governing related matters.

Article 3. Producers shall abide by this law when supplying consumers with the commodities they produce or market or when providing services. In the absence of relevant provisions, they shall abide by other laws and regulations governing related matters.

Article 4. When conducting transactions, producers and consumers shall follow the principles of voluntarism, equality, fairness, honesty, and credibility.

Article 5. The state shall protect the legitimate rights and interests of consumers to ensure that they will not be violated.

The state shall take measures to ensure that consumers will exercise their rights in accordance with the law and to protect their legitimate rights and interests.

Article 6. It is the common responsibility of all segments of society to protect the legitimate rights and interests of consumers.

The state shall encourage all organizations and individuals to exercise public supervision over actions that hurt the legitimate rights and interests of consumers and shall assist them in this regard.

The mass media shall publicize the need to protect the legitimate rights and interests of consumers and shall enlist public opinion in overseeing actions that hurt such rights and interests.

Chapter II. Consumers' Rights

Article 7. In buying or using commodities or in receiving services, consumers are entitled to personal safety and safety with regard to their property.

With respect to commodities and services provided by the producers, consumers are entitled to raise demands to ensure their personal safety and the safety of their property.

Article 8. Consumers are entitled to receive true information on the commodities they buy or use or on the services they receive.

Consumers are entitled to request producers to supply relevant information as required by different commodities and services. Such information includes commodity prices, manufacturing places, manufacturers, intended uses, functions, specifications, product grades, major components or ingredients, manufacturing dates, expiration dates, inspection certificates, instructions for operation or application, after-sales services, and service items, details, and charges.

Article 9. Consumers are entitled to choose their own commodities or services.

Consumers are entitled to choose their own producers for the supply of commodities or services, as well as their preferred commodity types or service methods. They can decide independently whether to buy a certain commodity or to receive a certain type of service.

In choosing their preferred commodities or services, consumers are entitled to draw comparisons and distinctions or to exercise their options.

Article 10. Consumers enjoy the right of fair trade.

In purchasing commodities or receiving service, consumers have the right to quality assurance, reasonable price, and accurate measurement, and other terms of fair trade, as well as the right to reject business operators' coercive trade behavior.

Article 11. Consumers enjoy the right to receive compensation in accordance with the law for personal and property damages incurred as a result of the purchase and use of commodities or receipt of service.

Article 12. Consumers enjoy the right to form social groups in accordance with the law to safeguard their legitimate rights and interests.

Article 13. Consumers enjoy the right to obtain knowledge related to consumption and to the protection of their rights and interests.

Consumers shall make an effort to grasp knowledge about the commodities and service they want and to acquire the skills necessary for using them; they shall correctly use commodities and raise their own awareness to protect themselves.

Article 14. In purchasing and using commodities and receiving service, consumers enjoy the right to demand respect of their personal dignity and national customs and habits.

Article 15. Consumers enjoy the right to exercise supervision over commodities and service, and over the work of protecting their rights and interests.

Consumers have the right to report and file charges over behavior infringing on their legitimate rights and interests and over violations of law or derelictions of duty on the part of state organs and their functionaries in the course of protecting consumer rights and interests; consumers have the right to criticize and make suggestions on the work of protecting their rights and interests.

Chapter III. Business Operators' Obligations

Article 16. When providing commodities or service to consumers, business operators shall fulfill their obligations in accordance with the provisions of the "Law of the People's Republic of China on Quality of Domestically Produced Products" and other relevant laws and regulations.

Business operators shall fulfill their obligations in accordance with the agreement, if any, reached with the consumers; however, such bilateral agreement shall not contravene the provisions of laws and regulations.

Article 17. Business operators shall listen to the views of consumers on the commodities or service provided by them and shall accept consumers' supervision.

Article 18. Business operators shall guarantee that the commodities or service provided by them are in conformity with the personal and property safety requirements. In case there is a possibility that their commodities and service may be hazardous to personal and property safety, they shall make truthful presentation and give clear warnings to consumers and shall explain and label the method of using the commodities or accepting the service, as well as the directions for preventing the occurrence of such hazards.

Upon discovering that the commodities or service provided are seriously defective and that they may cause harm to personal and property safety even under normal use of the commodities or service, business operators shall forthwith report to the relevant administrative departments and inform the consumers, and they shall adopt measures to prevent the occurrence of the harm.

Article 19. Business operators shall provide truthful information related to commodities and service to consumers; they shall not make misleading or false propaganda.

Business operators shall truthfully, clearly respond to inquiries made by consumers regarding the quality of their commodities or service and the method of use.

Stores shall clearly mark the prices of their commodities.

Article 20. Business operators shall give their true names and signs and mark them accordingly.

Business operators leasing others' counters or space shall give their own true names and signs and mark them accordingly.

Article 21. When providing commodities or service, business operators shall issue receipts or service certificates to

consumers in accordance with the relevant state regulations or business practice; business operators shall comply with consumers' request for receipts or service certificates.

Article 22. Business operators shall guarantee that, under normal use, the commodities or service provided by them possess the expected quality, capability, and usefulness prior to the expiration date; however, this provision does not apply to commodities or service whose defects are known to consumers at the time of purchase of the commodities or receipt of the service.

Business operators shall guarantee that the actual quality of their commodities and service are compatible with what they indicate in the advertisement, product literature, samples, or other forms of presentation.

Article 23. In selling their commodities or offering services, after promising to undertake the commitment for repair, exchange, and refund in accordance with state regulations or an agreement with consumers, or promising to undertake other responsibilities, business operators shall fulfill the promise according to the state regulations or the agreement with consumers, and must not deliberately resort to procrastination or refuse to comply without reasons.

Article 24. Business operators must not set unfair and unreasonable regulations against consumers by the use of formal contract, circular, statement, shop or store notice, and other means, or try to alleviate or avoid their civil responsibility they must bear for harming the legitimate rights and interests of consumers by resorting to the above means.

Should formal contracts, circulars, statements, and shop or store notices carry contents mentioned in the previous paragraph, the contents shall be null and void.

Article 25. Business operators must not insult and slander consumers, must not search the body of consumers and the goods they carry, and must not infringe upon the personal freedom of consumers.

Chapter IV. State Protection of Consumers' Legitimate Rights and Interests

Article 26. The state shall listen to consumers' opinions and demands when formulating laws, regulations, and policies relating to the legitimate rights and interests of consumers.

Article 27. The people's governments at all levels shall strengthen leadership over the relevant administrative departments, organize them, coordinate with them, and urge them to do well their work of protecting consumers' legitimate rights and interests.

The people's governments at all levels shall strengthen supervision to prevent acts of harming the personal and property safety of consumers and to promptly check such acts.

Article 28. The industry and commerce administrations and other relevant administrative departments of the people's governments at all levels shall adopt measures within the

scope of their authority in accordance with the provisions of laws and regulations to protect consumers' legitimate rights and interests.

Relevant administrative departments shall listen to the opinions of consumers and their organizations regarding the business conduct of business operators and the quality of their commodities and services, and promptly conduct investigations to handle the matter.

Article 29. In providing commodities and services, if business operators commit the law-breaking and criminal act of harming consumers' legitimate rights and interests, relevant state organs shall punish them according to the provisions of laws and regulations.

Article 30. The people's courts shall adopt measures that will make it simple for consumers to file a lawsuit. Disputes over consumers' rights and interests that meet the litigation conditions set by the Civil Procedure Law of the People's Republic of China must be accepted and promptly handled.

Chapter V. Consumers' Organizations

Article 31. Consumers' associations and other consumers' organizations are social organizations formed according to law to supervise commodities and services and protect consumers' legitimate rights and interests.

Article 32. Consumers' associations exercise the following functions:

1. Providing consumers with consumer information and consultation services;
2. Assisting relevant administrative departments in supervising and checking commodities and services;
3. Informing relevant administrative departments of problems pertaining to consumers' legitimate rights and interests, inquiring the departments and making suggestions to them about these problems;
4. Accepting consumers' complaints and conducting investigations and mediation in connection with the complaints;
5. If the complaints involve the quality of commodities and services, a verification department, when asked to verify the quality, shall provide the verification conclusion;
6. Supporting victimized consumers in taking legal proceedings against acts of harming consumers' legitimate rights and interests;
7. Exposing and criticizing, through mass media, acts of harming consumers' legitimate rights and interests;

People's governments at all levels shall support consumers' associations in exercising their functions.

Article 33. Consumers' organizations are not permitted to engage in business operations and provide profit-generating services, nor are they allowed to recommend commodities and services to society with the aim of making profits.

Chapter VI. Settlement of Disputes

Article 34. In the event of disputes with producers regarding their rights and interests, consumers may pursue the following avenues in settling the disputes:

1. Holding reconciliation talks with the producers;
2. Requesting consumers' associations to help in mediation;
3. Filing petitions with relevant administrative departments;
4. Applying to arbitration bodies for arbitration proceedings pursuant to relevant agreements reached with the producers; and
5. Instituting legal proceedings in people's courts.

Article 35. Consumers may demand compensation from the sellers if their legitimate rights and interests are hurt as a result of buying or using the sellers' commodities. If the responsibility falls upon the producers or other sellers who provide the commodities to the affected sellers, the latter are in turn entitled to seek compensation from the former after making their own indemnities.

Consumers or other victims who suffer personal injuries or property damage as a result of defective commodities may demand compensation from the sellers or producers. If the producers are at fault, the sellers may seek compensation from them after making their own indemnities. If the sellers are at fault, the producers may have recourse to similar action.

Consumers may demand compensation from the service providers if their legitimate rights and interests are hurt as a result of receiving services.

Article 36. In the event of spin-offs or mergers of the original enterprises, consumers whose legitimate rights and interests are hurt as a result of buying or using commodities or receiving services may seek compensation from the enterprises which have taken over the rights and obligations of the original enterprises following the reorganization.

Article 37. In the case of producers who hurt the legitimate rights and interests of consumers because they provide commodities or services using the business licenses of other people in violation of the law, the consumers may demand compensation from them or from the holders of the business licenses.

Article 38. Consumers may seek compensation from the sellers or service providers if their legitimate rights and interests are hurt as a result of buying commodities or receiving services at trade fairs and sales counters operated by concessionaires. If the trade fairs have ended or the leases on the counters have expired, the consumers may demand compensation from the sponsors of the trade fairs or the lessors of the counters, who in turn are entitled to seek compensation from the sellers or service providers after making their own indemnities.

Article 39. Consumers may seek compensation from the producers if their legitimate rights and interests are hurt because the producers use false advertisements to provide

commodities or services. If the advertising agents run sham advertisements, the consumers may request administrative departments to mete out punishment. The advertising agents shall be responsible for making compensation if they cannot provide the producers' true names and addresses.

Chapter VII. Legal Liabilities

Article 40. Unless otherwise provided for in this law, producers shall bear civil liabilities pursuant to the "Law of the People's Republic of China on Product Quality" and other pertinent laws and regulations should any of the following circumstances arise in connection with the commodities or services they provide:

1. Where the commodities are defective;
2. Where the commodities cannot function as expected and are presented without any explanation at the time of their sale;
3. Where the commodity standards do not match those specified on the commodities or their packages;
4. Where the quality does not match that stated in product descriptions, on samples, or through other means;
5. Where the commodities are produced or sold although their elimination has been clearly mandated by the state, or they have lost their efficacy or undergone property changes;
6. Where the commodities are not sold in sufficient quantities;
7. Where service items and charges violate the agreements;
8. Where consumers' requests for repairing, reworking, replacing, or returning the commodities; for supplying shortfalls; for refunding the commodity prices or service charges; or for compensating for losses are deliberately shelved or unjustifiably rejected; and
- (9) Where consumers' rights and interests are hurt in other circumstances provided for in laws and regulations.

[Text] Article 41. Business operators who provide commodities or services and whose products or services have caused physical injury to consumers or other victims, shall pay for the latter's medical fees, nursing charges during treatment period, and loss of income due to absence from work; and also—when disability results therefrom—expenses in acquiring aiding apparatus needed by the victims, the victims' living subsidies, disability compensations, and the necessary living expenses of the victims' dependents; and—when a crime is committed—have their criminal liabilities investigated according to law.

Article 42. Business operators who provide commodities or services and whose products or services have caused death of the consumers or other victims, shall pay for the latter's funeral expenses, death compensation, and the necessary living expenses of the victims' dependents and—when a crime is committed—have their criminal liabilities investigated according to law.

Article 43. Business operators who, in violation of Article 25 of this law, have infringed on the consumers' personal dignity or personal freedom shall stop such infringements,

restore the latter's reputation, eliminate influences against the latter, offer apologies, and pay damages.

Article 44. Business operators who provide commodities or services and whose products or services have caused damage to the consumers' properties, shall, as demanded by the consumers, take such civil liabilities as repair, rebuild, change, return of goods, full supply of short items, refund of payments for goods or services, and compensations for losses. If there is an agreement between the business operators and the consumers, the agreement should be enforced accordingly.

Article 45. With respect of sales of commodities with warranty stipulations on repair, change, or return of goods either under state regulations or an agreement between the business operators and the consumers, the business operators should be responsible for the change or return of such goods when the consumers find them not in normal working condition after two repairs during the warranty period.

When the consumers demand a repair, change, or return of large commodities under a warranty clause, the business operators should be responsible for the transportation charges reasonably incurred.

Article 46. When business operators supply goods through mail service, they should do so according to agreement. If they fail to fulfill the agreement, they should, as demanded by the consumers, enforce the agreement or refund payments, and reimburse the consumers with costs reasonably incurred.

Article 47. When business operators supply goods or services on a prepayment basis, they should do so according to agreement. If they fail to fulfill the agreement, they should, as demanded by the consumers, enforce the agreement or refund prepayments, pay interest derived therefrom, and reimburse the consumers with costs reasonably incurred.

Article 48. Business operators whose commodities have been certified by the relevant departments as substandard according to law shall accept return of such commodities as demanded by the consumers.

Article 49. Business operators found to have committed fraud in providing goods or services shall, as demanded, compensate the consumers with a sum doubling what the consumers have paid for such commodities or services.

Article 50. When business operators commit one of the acts described in the following paragraph, the provisions of the "Law of the People's Republic of China on Qualities of Domestically Produced Products" and other relevant laws and regulations concerning the organs and methods of punishment shall apply. Where there are no applicable provisions of laws and regulations, the department in charge of industrial and commercial administration shall order the business operators to rectify their acts and shall, based on the circumstances, issue a warning, confiscate their illegal earnings, and/or impose a fine at an amount equivalent to one to five times the amount of their illegal earnings. Where there are no illegal earnings, a fine of up to 10,000 yuan shall be imposed. The department in charge of industrial and

commercial administration shall order the business operators to suspend operations for rectification or rescind their business licenses if the circumstances of their offenses are serious.

1. Producing or selling commodities not in conformity with the personal and property safety requirements;
2. Putting impure or fake materials in the commodities, selling fake and inferior goods as genuine and quality goods, or passing substandard commodities as qualified ones;
3. Producing commodities which have been ordered stopped by the state, or selling commodities that have expired and deteriorated in quality;
4. Falsifying place of production; falsifying or using other's factory name and address; or falsifying or using certification, brand name, and other quality marks;
5. Selling products that fail to go through necessary inspection and vaccination or falsifying the result of inspection and vaccination;
6. Making misleading, false propaganda on commodities or service;
7. Deliberately procrastinate or reject without reason consumers' request for repair, reprocessing, replacing, returning, replenishing the commodities; their request for refund; and their request for compensation;
8. Infringing on consumers' personal dignity or encroaching on their personal freedom;
9. Other acts that infringe on consumers' rights and interests punishable under the provisions of laws and regulations.

Article 51. Business operators who do not agree with the administrative penalties may, within 15 days of the receipt of the penalty decision, petition the organ at the higher level for reconsideration. Business operators who do not agree with the decision made after reconsideration may, within 15 days of the receipt of the decision, bring suits at the people's court. They may also go directly to the people's court to file suits.

Article 52. Those who obstruct, by acts or threats of violence, the performance of duties by functionaries of relevant administrative departments in accordance with law shall be investigated in accordance with law to determine their criminal responsibility. Those who obstruct or prevent functionaries of relevant administrative departments from performing their duties in accordance with the law, without acts or threats of violence, shall be punished in accordance with the provisions of the "Regulations of the People's Republic of China Governing Punishment for Offenses Against Public Order."

Article 53. State functionaries who are guilty of dereliction of duty or who shelter business operators to infringe on the legitimate rights and interests of consumers shall be given administrative penalties by their units or the organ at the higher level; when the circumstances of their offense are serious and constitute a crime, investigation shall be conducted to determine their criminal responsibilities.

Chapter VIII. Supplementary Provisions

Article 54. The purchase of capital goods by peasants for use directly in agricultural production shall be handled with reference to this Law.

Article 55. This law shall take effect on 1 January 1994.

NPC Standing Committee Appoints, Dismisses Procurators

OW0211050693 Beijing XINHUA Domestic Service in Chinese 0929 GMT 31 Oct 93

[Text] Beijing, 31 Oct (XINHUA)—Namelist of appointments and removals adopted at the Fourth Session of the Eighth National People's Congress Standing Committee:

1. Song Hansong [1345 1383 2646], Liu Yongsheng [0491 3057 0524], Yu Yuanhua [0205 0337 5478] (female), Lu Fei [6424 7378], Yu Guoqing [0060 0948 1987] (female), Guo Sufen [6753 4790 5358] (female), and Wu Jinsui [0702 6930 6659] are appointed procurators of the Supreme People's Procuratorate.

2. Zhang Yushu is removed from his post as procurator of the Supreme People's Procuratorate.

Hu Jintao Meets Correspondence Course Teachers

OW0111034593 Beijing Central Television Program One Network in Mandarin 1100 GMT 28 Oct 93

[From the "National News Hookup" program]

[Text] Hu Jintao, Standing Committee member of the CPC Central Committee Political Bureau and president of the Central Party School, met with representatives to the Central Party School's correspondence course education work conference in Beijing this morning.

He said: Correspondence courses are a major component of the party school education. Thanks to the vigorous support from various sectors and joint efforts by comrades, the Central Party School has scored notable achievements in correspondence education in the past decade or so. The 200,000 cadres trained by the party schools have played an important role in raising the whole party's level of Marxist theory.

He urged the party school to take Deng Xiaoping's theory of building socialism with Chinese characteristics as the guide for correspondence education, earnestly summarize experiences, further clarify the concept for running correspondence schools, deepen teaching reform, and raise teaching quality so as to train more and better qualified cadres to keep up with the demands for work in the new period. [Video shows shots of Hu Jintao dressed in a dark Western business suit and tie, shaking hands, talking, and posing for a group picture with about 200 people]

Bo Yibo Interviewed on Mao Zedong Anniversary

OW0211093793 Beijing XINHUA Domestic Service in Chinese 0827 GMT 26 Oct 93

[Interview with Bo Yibo by an unidentified DANGXIAO LUNTAN, PARTY SCHOOL FORUM, reporter from the CPC Central Committee Party School on 20 October 1993; place not given]

[Text] Beijing, 26 Oct (XINHUA)—[Reporter] On the occasion of Comrade Mao Zedong's birth centennial, would you please tell us how we should remember this great figure?

[Bo] Comrade Mao Zedong was a great son of the Chinese people. He attended the First Party Congress in 1921 and became one of the founders of our party. Following the failure of the Great Revolution, he led the troops involved in the Autumn Harvest Uprising into the Jinggang Shan and established the first rural revolutionary base area under the party leadership. After the 1935 Zunyi meeting, he became the core of our party's first-generation collective leadership and an acknowledged great leader of our party and people of all nationalities across the country. His merits and demerits during a lifetime were fully and poignantly discussed in the "Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China." Based upon my understanding, the immortal deeds he performed for the people of our country as stated in the "Resolution" can be summarized in the following two main aspects:

First, the CPC members under his leadership displayed enormous theoretical courage and the spirit of fighting heroically as they opened up an avenue for scoring ultimate victory across the country through the encirclement of the cities from the countryside. He led the entire party and people across the country through 22 years of the people's revolutionary war before they eventually toppled the three big mountains of imperialism, feudalism, and bureaucrat-capitalism and founded New China, thereby ushering in a new era in our country's history. Comrade Xiaoping once spoke highly of him: "Without Comrade Mao Zedong's brilliant leadership, it is highly probable that the Chinese Revolution could not have succeeded even as of today. If that were the case, our party would still be fighting bitterly in the dark. That is why we say there would not be a New China without Chairman Mao. This is no exaggeration at all."

Second, he and his comrades-in-arms followed the principle of pursuing both socialist industrialization and socialist transformation in light of the economic and political conditions created by the victory in the new democratic revolution for making the transition to socialism, as they implemented the specific policy of progressively transforming the private ownership of the means of production. Thus, they provided both theoretical and practical solutions to the formidable task of establishing the socialist system in China—a large Oriental country that is densely populated and economically and culturally backward—and laid a solid foundation for our country's progress and development. Comrade Xiaoping stated: "Our socialist transformation

was successful; it was really amazing. It was Comrade Mao Zedong's major contribution to Marxism-Leninism."

I think it is an amazing achievement of a person if he can accomplish one major task in his lifetime. Chairman Mao had at least accomplished two major tasks that were enough to influence the course of history in China and the world. This shows how great he was. Yes, Comrade Mao Zedong did commit serious mistakes in his later years, but those, in the final analysis, were the mistakes of a great proletarian revolutionary. He was not a perfect man but a great man of his generation. His merits and achievements far outweigh his mistakes. His historical contributions, his scientific writings, and his correct thinking have struck deep roots in the hearts of hundreds of millions of people. The very fact that the entire party and army, and the people of all nationalities throughout the country are ceremoniously commemorating his centenary this year is a reflection of the feelings of the party, the army, and the people. In commemorating his anniversary, I feel that besides expressing our respect toward him, it is more important to take into consideration the real situation, seize the opportunity to deepen reform and opening wider to the outside world, carry out macro regulation and control, and promote sustained, rapid, and healthy development of the economy [cu jin jing ji chi xu kuai su jian kang di fa zhan 0191 6651 4842 3444 2170 4968 1816 6643 0256 1660 4104 4099 1455], and only by doing so will it contribute to our cause.

[Reporter] This point is very enlightening. Could you talk a little more about your understanding of Mao Zedong Thought?

[Bo] The "Resolution on Certain Questions in the History of the Party Since the Founding of the People's Republic" points out: "The Chinese Communists, with Comrade Mao Zedong as their chief representative, made a theoretical synthesis of China's unique experience in its protracted revolution in accordance with the basic principles of Marxism-Leninism. This synthesis constituted a scientific system of guidelines befitting China's conditions, and it is this synthesis which is Mao Zedong Thought, the product of the integration of the universal principles of Marxism-Leninism with the concrete practice of the Chinese revolution." What need to be stressed here are: First, Mao Zedong Thought is Marxism-Leninism applied and developed in China; without Marxism-Leninism, there can be no Mao Zedong Thought. Second, Mao Zedong Thought is a summary of the correct theory, principles, and experience of the Chinese revolution which have been proved in practice. It is our party's valuable spiritual wealth, and it will guide our action for a long time to come. Third, Mao Zedong Thought, which has been formed in the collective struggle of the party and people, is the crystallization of the CPC's collective wisdom. Many outstanding leaders of our party have made important contributions to its formation and development, and Comrade Mao Zedong's scientific works are its synthesis in a concentrated form.

Comrade Xiaoping has said many times: Seeking truth from facts is the quintessence of Mao Zedong Thought. Chairman Mao spoke of many things in his report on rectifying the three work styles in Yanan, but the most important one is

seeking truth from facts. He said: "'Facts' are all the things that exist objectively, 'truth' means their internal relations; that is, the laws governing them, and 'to seek' means to study." My understanding is that he told us to proceed from reality, respect objective laws, act according to them, strive for the unity of the subjective and the objective in order to avoid divorcing them. For thousands of years, no one has explained the meaning of seeking truth from facts as thoroughly and in a penetrating way as he did. His explanation of this is penetrating and representative of his thought. The Third Plenary Session of the 11th CPC Central Committee has restored the party's ideological line of seeking truth from facts. Comrade Xiaoping pointed out: "Only by emancipating the mind, insisting in seeking truth from facts, proceeding from reality in doing anything, and integrating theory with practice can our socialist modernization construction proceed smoothly and our party's theory of Marxism-Leninism-Mao Zedong Thought develop smoothly." This is very well spoken. Therefore, we should commemorate Comrade Mao Zedong with this attitude.

[Reporter] In early 1956, you organized the industrial and transport front to submit a report to Chairman Mao. Can you talk about what sort of road for socialist construction was Comrade Mao Zedong exploring then?

[Bo] Comrade Xiaoping made a profound remark in his opening address to the 12th party congress. He said: "Our modernization construction must proceed from reality in China. We must pay attention to studying and drawing on foreign experiences whether in revolution or construction. However, no success has ever been made in simply copying the experiences and modes of other countries. We have learned quite many lessons in this respect. Following our own road for building socialism with Chinese characteristics by integrating the universal truth of Marxism with the practical conditions in China—this constitutes the basic conclusion we have arrived at in summing up our long years of historical experiences."

Exploring the road for building socialism with Chinese characteristics has not been plain sailing, for we have met with twists and turns just as we had in exploring the road for the new democratic revolution.

Since the founding of New China, particularly since the decisive victory was won in socialist transformation, following the unfolding of large-scale economic construction and the accumulation of experiences and following some shortcomings and mistakes exposed in the course of economic construction in the Soviet Union and the setbacks it had met in this respect, Chairman Mao, in accordance with China's national conditions and our party's experience in consistently independently solving China's revolutionary problems, boldly called for taking warning from the experiences of the Soviet Union and set the task of exploring a road for socialist construction suitable to China's national conditions. In early 1956, beginning with investigations and studies, he earnestly listened to the reports submitted by 34 ministries and commissions. Pooling the wisdom of the whole party, he made the well-known speech "On the 10 Major Relationships," in which he set the tasks of correctly handling the 10 major relationships and bringing all positive

factors into play to build our China into a strong socialist country. In the spring of 1957, in his important speech "On the Correct Handling of Contradictions Among the People," he suggested that it was necessary to correctly distinguish and handle the two types of different contradictions in a socialist society and to make the correct handling of contradictions among the people the main theme of the country's political life. In 1958, he again suggested that it was necessary to shift the focus of work to technological revolution and cultural revolution. The cultural revolution he spoke of here means raising the cultural level of the people of the whole country.

Comrade Mao Zedong pointed out: "We must depend mainly on self-reliance supplemented with the endeavor to seek foreign aid; we must do away with superstition; we must independently promote industrial and agricultural development and carry out technological and cultural revolution; we must get rid of a slavish mentality and bury dogmatism; and we must earnestly study the good experiences of foreign countries as well take heed of their bad experiences. This is our line." He believed: We should only follow the good examples, not the bad examples set by the Soviet Union. If we treat the experiences of the Soviet Union in isolation, regardless of China's actual conditions, we are not following its good examples. It is correct to take the initial step of exploration and these proposed ideas are precious and can guide us for a long time to come. However, it was a pity that under the guidance of erroneous "Left" ideology, such exploration after the second half of 1957 was unsuccessful and deviated from the right course because we overestimated the influence of the class struggle at home and abroad, and because we became arrogant and impatient for quick results after having achieved a series of great successes. We, therefore, failed. The party and the people paid a very high price for this. However, the mistake and the setback taught us a lesson, made us wiser, and therefore carried within themselves the seed of a new and greater success. In this sense, it may be said, "failure is the mother of success."

[Reporter] Lastly, please discuss again the relationship between Chairman Mao's exploration and the theory of building socialism with Chinese characteristics.

[Bo] I think Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics is a product of the fulfillment of the party's guiding ideology on setting right things which have been thrown into disorder by the collective of the party's central leadership since the Third Plenary Session of the 11th CPC Central Committee, and is a product of the great practice of reform and opening up. It has the striking characteristics of our times. In it there is the idea of carrying something forward, but above all, it calls for new ideas and development.

It is very important, complicated, and a matter of some sensitivity how we correctly assess Chairman Mao and determine the historical role of Mao Zedong Thought after the "Gang of Four" were crushed. Some overpraised Chairman Mao, saying he was perfect and that "we must support whatever decisions he made and must steadfastly

follow whatever instructions he gave"; some overly discredited him, describing his correct words and deeds as "Left." While fully affirming Chairman Mao's great historical contributions, Comrade Xiaoping realistically pointed out and corrected the mistakes made by Chairman Mao in his declining years. Such an approach has had a very profound significance and has enabled the whole party to reach a common understanding. As he says, "In many fields of endeavor we are now doing what Comrade Mao Zedong proposed but did not do, correcting what he wrongly opposed, and successfully fulfilling the tasks he failed to do. We shall be doing these things for a considerable period of time. Of course, we also enjoy development, and shall continue to develop." At this point he commented on the expressions "carrying forward" and "developing what is useful or healthy and discarding what is not" as well as what is meant by "development," appropriately clarifying the relationship between them. This is the first point.

The second point, I believe, is that Comrade Xiaoping's new contributions need to be emphasized. While realistically summing up both the positive and negative experiences and lessons gained since the founding of the People's Republic, and on the basis of new practices and experiences and with tremendous theoretical courage, he clearly defined the "initial stage" for China's socialist system as it is today; put forward a series of new guiding principles and major policies on reform and opening up, summarizing them as the theory of building socialism with Chinese characteristics and the "one central task and two basic points"; and finally found the road toward building socialism with Chinese characteristics which Mao Zedong tried in vain to find back then. It is a road that must be taken if we are to develop a socialist China, and a road by which China can achieve prosperity, become powerful, and stand independently among the nations of the world. It fully deserves to be called "Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics" which was coined at the 14th national party congress to mark the concept cherished by the chief architect of China's reform and opening up over the last 14 years. Our task today is to follow the road unswervingly and to fulfill the three-step strategic objectives to enable China to gradually rank among the developed countries in accordance with the strategic plan which stresses that "we must uphold the basic line for 100 years, and must not waver in our resolve."

The third point is that Chairman Mao once said, "As soon as the masses grasp the correct ideology that represents an advanced class, it will become a material strength remolding society and the world." When the seventh national party congress established Mao Zedong Thought and it was grasped by the whole party, many veteran comrades still remember that it produced a tremendous "material strength" that overthrew the three big mountains [imperialism, feudalism, and bureaucrat-capitalism] and helped found a New China. Comrade Jiang Zemin pointed this out in his report to the 14th national party congress: "The theory of building socialism with Chinese characteristics represents the latest achievement in the integration of Marxism and China's actual conditions, it is modern China's Marxism, and is a powerful ideological weapon

guiding us in the fulfillment of our new historical tasks." Therefore, arming leading cadres at all levels with this theory, followed by the masses, becomes an important issue that will have a bearing on the future and destiny of our party, country, and the Chinese nation. I believe all the comrades of the party will conscientiously study the theory, grasp it, and turn it into a tremendous "material strength" with which to score new successes in building socialism with Chinese characteristics. This is, I think, perhaps the best commemoration of Chairman Mao's birth centennial.

Artists Mark Centennial of Mao's Birthday

OW3010115393 Beijing XINHUA in English 1109
GMT 30 Oct 93

[Text] Beijing, October 30 (XINHUA)—A total of 580 Chinese painters and calligraphers have presented 620 fine art works this year to the memorial hall of former Chinese chairman Mao Zedong, to mark the centenary of his birth, which falls on December 26 this year.

Thirteen of the most celebrated painters and calligraphers in Beijing added their brush strokes today to a huge Chinese painting titled "The Landscape Is Excellent Here" and presented it to the memorial hall upon completion.

Yin Shoushi, a 75-year-old painter, who once painted a portrait for Mao about 50 years ago, said that all Chinese people cherish the memory of Mao Zedong.

According to Li Shengtang, director of the administrative bureau of the Chairman Mao Memorial Hall, the presentations come from almost all of China's provinces, municipalities and autonomous regions including Hong Kong, Macao and Taiwan.

The director said that an unprecedented grandiose exhibition of paintings and calligraphy titled "The East Is Red" is scheduled to be held on December 26. Nearly 1,000 paintings and pieces of calligraphy will be exhibited then.

Li said that the exhibition is one of the largest memorial activities planned by the Chinese Central Government to mark the centenary of Mao's birth.

He added that the exhibition will focus on eulogizing the magnificent contributions made by Chairman Mao, the great Communist Party and socialism as well as the great era of reform and opening to the outside world.

'Forest of Steles' Unveiled To Commemorate Mao's Birthday

OW2810122993 Beijing XINHUA in English 1145
GMT 28 Oct 93

[Text] Beijing, October 28 (XINHUA)—A ceremony was held here today to unveil a forest of steles in western Beijing as part of the commemoration of the 100th birthday of Mao Zedong, which falls in late December.

The steles, located in the Xishan and Mangshan forest parks, include inscriptions by a dozen Chinese leaders, including Mao, the late Premier Zhou Enlai, Liu Shaoqi and Deng Xiaoping.

"Making the Motherland Green," a phrase that Mao wrote decades ago, was placed at the center of the forest, under a pavilion.

Tianjin To Publish Tablet Rubbings of Mao Zedong's Poems

OW0211022893 Beijing XINHUA in English 0215 GMT 2 Nov 93

[Text] Tianjin, November 2 (XINHUA)—Tianjin city in north China is going to publish a collection of rubbings from stone tablets on Mao Zedong's poems, to mark the late chairman's centenary birthday, which falls on December 26.

The 28 poems, written by Mao Zedong between 1923 and 1964, are inscribed on 99 black granite tablets, each of which is 1.4 meters high and 0.9 meters in width.

Jiang Zemin, general secretary of the Central Committee of the Chinese Communist Party, inscribed the title of the stone tablet forest, which was built in a village north of Ji County in the port city Tianjin last year.

Number of Lawyers 'To Double' in 5 Years

OW2910153893 Beijing XINHUA in English 1442 GMT 29 Oct 93

[Text] Chongqing, October 29 (XINHUA)—China is to double its present number of lawyers to 100,000 in the coming five years and expand their professional scope, according to an official at the Ministry of Justice today.

He said that China is encouraging the development of private law firms and plans to make this sector take up more than 60 percent of the country's total number of law firms.

Also, the state will approve the setting up of agencies in China by 100 foreign law firms. In turn, 50 Chinese law agencies will be set up abroad, the official said.

In addition, a law on the qualifications and training of lawyers will be enacted in the next five years, he said.

He added that eventually Chinese lawyers will handle matters relating to patents, real estate, foreign trade and banking.

China has 4,176 law firms, with more than 29,000 lawyers. They have already handled over 400,000 criminal and civil cases, and 100,000 economic cases. Chinese lawyers act as consultants for 150,000 domestic enterprises.

Ministry Warns on Forging Official Seals, Stamps

OW0111144493 Beijing XINHUA in English 1428 GMT 1 Nov 93

[Text] Beijing, November 1 (XINHUA)—China's Ministry of Public Security has warned that people who forge official seals and rubber-stamps for fraudulent use will be weeded out and prosecuted.

The ministry recently issued a special circular calling for tight controls on the craftsmen who carve official seals.

Illegal forging of official seals had become rampant in China in recent years, the ministry said. Some criminals lured self-employed character-carvers to counterfeit the seals of some public bodies so that they could forge documents and certificates.

These criminal activities resulted in grave political and economic losses, the ministry said.

It stressed that all enterprises and individuals engaged in character-carving and seal-carving have to be registered with their county public security departments.

Any orders they accept to copy seals or official stamps must be certified by the public security bodies.

The ministry also listed specific measures for the prosecution and punishment of seal forgers.

Zhao Ziyang Appointment Part of 'Olympic Games Bid'

HK0111064693 Hong Kong LIEN HO PAO in Chinese 30 Oct 93 p 2

[By mainland news center: "Zhao Ziyang's Appointment as Honorary Golf Club Chairman Was Part of the Effort To Win the 2000 Olympic Games Bid"]

[Text] An informed Beijing source has revealed that former CPC General Secretary Zhao Ziyang was appointed honorary chairman of a certain golf club, as Hong Kong media reported mid-September, was in fact a deliberate arrangement by the CPC authorities intended to create the impression that Zhao Ziyang had already gained his freedom, which was favorable to Beijing in its bid for the 2000 Olympic Games.

The individual, who has access to Zhao Ziyang, said: To date Zhao Ziyang has not had freedom of speech or action. He must get permission before going anywhere, and he is specifically forbidden from visiting Guangdong and Fujian. Moreover, security personnel act as his "bodyguards" when he plays golf, and no one is allowed to approach him without permission.

Lee Kong-long, general manager of the International Golf and Yacht Club Company Limited in Hong Kong, related that he met Zhao Ziyang in mid-September when he played golf on a certain golf course in Beijing, and they hit nine holes and had lunch together. Later, Lee Kong-long asked Zhao Ziyang to act as honorary chairman of the golf and yacht club, and Zhao Ziyang accepted the letter of appointment. After returning to Hong Kong, Lee Kong-long called a news conference and talked about how he met Zhao Ziyang and posed for photographs with him in Beijing.

However, the informed Beijing source said that the meeting between Lee Kong-long and Zhao Ziyang had been arranged, that they did not chat, and that a photographer was scheduled in advance to take pictures of Zhao Ziyang.

As for Zhao Ziyang's situation, the informed Beijing source also revealed: Last year, accompanied by his son-in-law, Zhao Ziyang went to play golf on a golf course in the suburbs of Beijing, and consequently his pictures were published in

the Hong Kong media. As that was the first time since the 4 June incident that Zhao Ziyang had appeared in public, it aroused the concern of the overseas media. It has been said that CPC General Secretary Jiang Zemin was very unhappy about this and was ready to punish Zhao Ziyang's son-in-law, a Mr. Wang who works in PLA Headquarters. Fortunately, Yang Shangkun arrived to mediate. Finally, his son-in-law was sent from Beijing to the Guangzhou Military Region.

The source said: The matter became one of the three charges brought against Yang Shangkun by Deng Xiaoping for his dismissal. The other two charges are also related to Zhao Ziyang: First, when Deng Xiaoping arrived in Shenzhen during his southern tour, Yang Shangkun arrived almost at the same time. But Yang Shangkun went to see Zhao Ziyang's son-in-law—who was in the Guangzhou Military Region—first and only met Deng Xiaoping on the following day. Second, Yang Shangkun wanted to change Zhao Ziyang's verdict (splitting the party and supporting the rebellion) passed at the Fourth Plenary Session of the 13th CPC Central Committee and suggested changing General Secretary Jiang Zemin's posts. Therefore, Jiang Zemin and Li Peng jointly made a complaint to Deng Xiaoping through Deng Zhifang, accusing Yang Shangkun of intending to redress the "4 June" and to vindicate himself. Since the 14th CPC National Congress, Yang Shangkun has lost power and influence, and thus Deng's attitude toward Wang Li, Qiao Shi, Li Ruihuan, and Tian Jiyun has also been affected.

The informed person said: Furthermore, Beijing Vice Mayor Zhang Baifa made an inspection visit to the suburban golf course when the person in charge told him that Zhao Ziyang had come there to play golf, saying: "Every time he plays golf here, he never interacts with others. He even brings his own drinking water." He then asked: "It has been said that Zhao Ziyang will resume work again. Is it true?" Zhang Baifa replied: "Don't ask too much. Attend to your own work!"

Dissident Law Expert Kept From Attending Meeting

HK3010060793 Hong Kong SOUTH CHINA MORNING POST in English 30 Oct 93 p 7

[By Willy Wo-Lap Lam]

[Text] Beijing is preventing a leading dissident and constitutional law expert from coming to Hong Kong for a conference on human rights. Yu Haocheng, who was imprisoned for more than a year after the June 4, 1989, crackdown, has in the past two years applied up to eight times to go abroad, without success.

The Symposium on the Concept of Human Rights in Europe and Asia, which opens at the Chinese University on November 13, was organised by the university's Chinese Law Programme, the Goethe-Institut of Hong Kong and the French Centre on Contemporary China in Hong Kong. The speakers include liberal Legislative Councillors Christine Loh Kung-wai and Anna Wu Hung-yuk and international

experts on the law and human rights. National Assembly of Taiwan member Susie Chiang will also take part in panel discussions.

Speaking from his Beijing home yesterday, Mr Yu said he made applications to his "unit" of the Public Security Ministry soon after receiving the invitation earlier this month. "Ten days ago, the Political Department of the ministry told me I could not go, but as usual, they did not give any reasons," Mr Yu said. The authorities have also rejected his requests to go to the US and Europe for conferences or fellowships.

Chinese sources in Beijing said a law professor at the People's University of China, Du Gangjian, had also been denied permission to attend the conference.

Mr Yu said he had recently been able to publish "non-political" articles. He said he hoped another academic would read out his paper, "On Human Rights and Their Guarantee by Law", at the symposium.

Dissident Han Dongfang 'Pledges' To Return to China

HK3110083393 Hong Kong THE SUNDAY STANDARD in English 31 Oct 93 p 4

[By Aries Lau: "Dissident Han Pledges Return To China"]

[Text] Exiled Chinese dissident Han Dongfang has pledged to "try all means" to return to his homeland following the failure of his attempt to sue the Chinese government.

Speaking publicly for the first time since last Wednesday, when the Beijing People's Intermediate Court turned down his bid to sue the government for wrongful expulsion, Han said he would seek money from overseas labour organisations to continue his fight.

When asked how he planned to go back to the mainland when the Chinese authorities refused to return his travel documents, let alone allow him to go home, Han said: "I don't want to use the word 'legal' or 'illegal' to describe the methods I will use. I can't hope for any Chinese department to let me home," he said at a news conference. After today, I will rely on myself. I'll use my own methods, my own hard work to attain my goal of getting home."

The former leader of the outlawed Beijing Autonomous Workers' Federation said he would continue to lobby for workers' rights and democratic reform whether he gets back into China or not.

Han was detained by police in Guangzhou on 14 August and sent across the border to Hongkong the next day. Chinese authorities later invalidated his passport.

Han said he was psychologically prepared for any possible punishment imposed by China after going home. Han said his wife understood his decision, though she was not happy with the plan. Han's wife, Chen Jing-yun, and their one-year-old son will stay at their home in the United States. But he said he had no intention of letting his family in China know about his plan.

Han's transit visa is due to expire on 22 November, but he has not set a deadline for his plan to return home. "I don't know how long the plan will last. It all depends on my patience," the 30-year-old dissident said.

Han's friend and supporter, Hong Kong unionist Lau Chin-shek, said he feared for Han's health if he continued to challenge the Beijing government. Han spent a year in the United States receiving treatment for acute tuberculosis he had contracted during a 22-month prison sentence for his role in the 1989 June 4th movement.

Coastal TV Stations Told To Limit Overseas Programs

HK2910053493 Hong Kong *THE STANDARD* in English 29 Oct 93 p 7

[By Angel Lau]

[Text] Coastal television stations have been asked by Beijing to limit the number of Hong Kong, Taiwan and overseas produced programs they broadcast.

Guangzhou TV station chief Qiu Zhuotao, speaking in Hong Kong yesterday, said his station complied with the law, which limits broadcasters to one imported film or TV program a day.

But more Chinese coastal residents have illegally installed their own satellite dishes to receive overseas television programmes, he said.

Minister of Radio, Film and Television Ai Zhisheng has urged regional state-run TV broadcasters to exercise extra caution in importing foreign television programs, especially music shows from Hong Kong and Taiwan.

The minister also called for stricter supervision and censorship on television broadcasting.

"Television programs should propagate patriotism and collectivism and not consumerism," Ai told a conference of television station chiefs in Beijing this month.

Qui said his station had set the right proportion of domestic and overseas programs after television authorities in Beijing asked the local stations to do so.

The installation of private satellite dishes was banned this month.

Qiu said the restrictions on overseas programs were looser in coastal areas than inland.

The Nanjing Culture and Entertainment Administrative Committee has meanwhile imposed a ticket price limit of 100 yuan (HK\$134) for overseas artists' concerts.

Beijing TV Station Broadcasts New Channel

OW0211123093 Beijing *XINHUA* in English 0619 GMT 2 Nov 93

[Text] Beijing, November 2 (XINHUA)—The Beijing Television Station began to broadcast its third channel, featuring educational programs, on Monday [1 November].

The new channel, aired for about 10 hours a day from early afternoon, beams courses drawn up by the State Education Commission and other programs, including "World Panorama," "Museums of Beijing," "China's Ethnic Nationalities," pop songs and "Science Fiction World."

One of the station's channels broadcasts 24 hours a day. With the third channel, the broadcasting time of the station has increased to a total of 50 hours a day.

So far, Beijing citizens can watch about 10 TV channels at home. They are three channels from the Central Television Station, three channels from the Beijing Television Station, one from neighboring Hebei Province, two from Tianjin and the Beijing cable television program.

Military

Experimental Missile Firing Range Developed

HK0211010893 Beijing *GUANGMING RIBAO* in Chinese 22 Oct 93 p 1

[By reporters Liu Xiaoying (2692 2556 5391), Jiang Rubiao (3068 3067 2871), and correspondent Zhang Zhijing (1728 3112 5464): "China Builds Modern Three-Dimensional Experimental Firing Range"]

[Text] The fall breeze blew in October. It was calm and tranquil in a certain bay. A loud word of command could be heard on a green hill, and a new, red-and-white checked guided missile rose from the launcher and dashed like an arrow to the target far out in the sea.

That was a test of the new guided missile carried out by the Navy at a certain experimental firing range and the Navy celebrated the 35th anniversary of its founding.

This naval experimental firing range has gone through a glorious, yet difficult road of establishment. The base has developed into something from nothing. In the earlier days, it was a firing range that could only imitate the Soviet Union in testing the surface-to-ship guided missiles; it now has become a modern firing range that can independently test new weapons aimed at targets on land, in the sky, at sea, and underwater. It has made great contributions to modernizing and renewing naval weapons and equipment, and to strengthening sea defense and combat ability. It has set many examples for our Navy: Establishing the first guided-missile battalion, launching the first shore-to-ship guided missile, testing the first coastal defense guided missile, launching from the sea the first strategic submarine-to-land guided missile, and so on. All these tests have been accomplished in this experimental base. The important duty of testing a series of new weapons and equipment can be guaranteed by the appraisal, testing, and monitoring networks in the base. Over the past 35 years, the base has accomplished more than 1,000 tasks of testing various kinds of equipment and facilities, and has appraised and labeled over 100 kinds of weapons and equipment. In the earlier days, the base had only several dozen university graduates, but now it has developed into one that has a large number of scientific and technological cadres who have graduated from vocational secondary schools, colleges, and universities, as

well as a number of graduate students who are trained by our country. Since 1978, the broad masses of scientific and technological cadres have carried out more than 1,000 topical researches, compiled over 3,000 articles on science and technology, and made more than 1,000 scientific and technological achievements, among which four won awards from the national scientific conference, seven won prizes from the state scientific and technological advancement awards, 88 won prizes from the all-Army scientific and technological awards, and 183 won prizes from Army-level scientific and technological advancement awards.

Journal Examines CPC Nuclear Policy

HK0211031493 Hong Kong CHENG MING in Chinese No 193, 1 Nov 93 pp 26-27

[By Hung Ju (3163 5423): "Initial Probe of CPC Nuclear Secrets"]

[Text] The so-called "Valley Storm" nuclear test was not something which was done on the spur of the moment, but a strategic move of profound significance. Even before the Olympic Games vote, the CPC Central Military Commission [CMC] had set the test date. Liu Huaqing claimed that the CPC was developing its nuclear power to "deter nuclear attacks by hegemonic powers."

World Shocked by "Valley Storm"

At 1000 on 15 October, there was a huge blast in Lop Nor, Xinjiang, that was eventually to shock the world. The CPC conducted its 39th nuclear test amid the call around the world for a moratorium on nuclear testing.

The nuclear test at Lop Nor indicated the CPC's determination to develop its nuclear weapons. China had conducted an underground nuclear test last May despite strong objections from the world. The pressure this time was greater. As early as July, the United States had obtained reliable information indicating that China was going to conduct a new nuclear test after the Olympic Games committee had cast its vote. The United States was extremely concerned about the test and requested a number of countries to pressurize Beijing into halting it.

At that time many people still believed, somewhat naively, that because its economic reform was at a critical stage and in need of international recognition, China could not possibly ignore the consequences which might affect its immediate interests. Facts show that this was only wishful thinking.

The nuclear test was not conducted on the spur of the moment but was a strategic move of profound significance. It is understood that the underground nuclear test, code-named "Valley Storm," took place in Underground Districts 15 and 17 of Lop Nor, Xinjiang. The test was conducted on a multi-warhead device as powerful as three 20,000-tonne TNT devices. General Yang Guoqu, first deputy commander of the 2nd Artillery, the nuclear test leading group deputy head, directed the test.

The success of "Valley Storm" indicates another small step forward for the CPC in its building up of a localized and

tactical nuclear arsenal. This can be seen from the news release by the CMC Office on the day following the test: "We are now confident that as far as the accuracy of multiwarhead nuclear devices is concerned, our country is as good as the United States, Britain, and France. We have developed and grown strong entirely on our own technology and strength."

Liu Huaqing Explains CPC Nuclear Weapon Policy

Top CPC military officials have attached great importance to the nuclear test. The evening following the test, CMC vice chairmen Liu Huaqing and Zhang Zhen and CMC member Zhang Wannian met with and feted the 25 delegates from the nuclear test group. Senior CPC military leaders such as Li Desheng, Hong Xuezhai, and Zhang Aiping attended the meeting and the dinner.

Liu Huaqing spoke at the meeting about the established CPC policy on weapons development. He said: "China must act fast in developing and improving its nuclear deterrent power to prevent U.S. hegemonism and its followers from posing a threat against the four modernizations. We have been consolidating, upgrading, and developing our strategic nuclear deterrent to prepare ourselves so that if a hegemonic power launches a nuclear attack against us, we will have the capability to retaliate."

Against the accusation that "China is detonating nuclear devices under a global nuclear test ban," Liu Huaqing said: "We insist on a total ban and the destruction of nuclear weapons by all nuclear powers; on non-first-use of nuclear weapons; not posing nuclear threats against countries without nuclear arms; and not deploying nuclear weapons in other countries. However, so long as these targets have not been achieved, we will not halt our efforts to improve and develop nuclear weapon technology and deterrence and we will conduct limited testing and maintain a certain level of strength. If we do not keep this independent policy, we will be bullied and cheated by hegemonic powers."

Knowing that a "total ban" is out of the question and a "moratorium" is already quite feasible under the current world situation, the CPC can afford the moral high ground of calling for a "total ban" while developing its "nuclear deterrent" with all legitimacy.

The warheads detonated in the "Valley Storm" nuclear test were each smaller in power than the atomic bomb (25,000 tonnes) which killed 200,000 people in Hiroshima. It is clear that CPC tactical nuclear warheads can now be applied to "real battles."

The Secret Project "9012"

Even though it was developing the economy, the CPC never neglected nuclear weapon research. In fact, it accelerated the work in this area in the 1990's. In December 1990, the Commission of Science, Technology and Industry for National Defense started a secret Project "9012," a tactical and strategic nuclear weapon simulation and testing base approved by the CMC and State Council. The construction of the base started at two different sites. The Project "9012" (North) is located in Korla. Zou Jiahua, Ding Henggao, and

Lieutenant General Liu Anyuan oversaw and directed the central part of the project. The 5 October nuclear test was in fact part of the Project "9012" project.

Let us ask ourselves an interesting question here: Suppose China had been given the right to host the 2000 Olympic Games. Would China have stopped the nuclear test which has attracted condemnation from around the world?

The answer is no. Two days before the International Olympic Committee cast its vote, that is 21 September, the CMC had decided: "Proceed as planned; test to be conducted as scheduled and according to the program."

Meanwhile, Liu Huaqing, Zhang Wannian, and Chi Haotian each gave encouraging instructions to the group, which had rarely been seen before.

Liu Huaqing's instruction: You must complete the new nuclear test according to plan to win glory for the Chinese race.

Zhang Wannian's instruction: This is a test of new technology and hi-tech as well as proof that China can improve its nuclear weapons with its own wisdom and technology and a way to debunk the nuclear myth of the hegemonic powers.

Che Haotian's instruction: There must be full preparations to make sure nothing is amiss. A successful testing of the new technology will be a good answer to the nuclear fraud and intervention of hegemonic powers. We will answer with action the political and economic challenges of the hegemonic power and its followers.

Nuclear Self-Defense, Nuclear Warning, or Nuclear Deterrence?

Furthermore, a number of retired senior generals also gave their support. Zhang Aiping said at a veteran meeting on the eve of the 1 October National Day: China must rush to build not only a modernized and hi-tech naval and air force, but also a strategic and tactical nuclear weapon technology and deterrent which can serve as a warning to military and political frauds by hegemonic powers. China does not aspire to be a hegemonic power but neither will it leave itself open to intervention, subversion, and fraud by hegemonic powers?

Zhang Aiping's words were much more honest than Liu Huaqing's. Liu always claimed that China was developing nuclear weapons to "deter nuclear attacks by hegemonic powers." This is a ludicrous defense. China's present nuclear capability is a far cry from other world nuclear powers. If a hegemonic power really launches a nuclear attack on China, it will definitely not be able to retaliate because its nuclear bases and launch sites would have been destroyed in the first place. Nuclear warfare is totally different from conventional warfare. This is only common sense. It does not make sense to speak of "detering attacks." It is Zhang Aiping's remark which reveals the hidden message: Once the CPC has the nuclear weapons, it can "give its warnings" in the international arena. Perhaps this is a kind of nuclear fraud with Chinese characteristics.

PLA Urged To Modernize Based on Mao's, Deng's Ideas

OW3010152193 Beijing XINHUA in English 1409 GMT 30 Oct 93

[Text] Beijing, October 24 (XINHUA)—Liu Huaqing and Zhang Zhen, top leaders of China's armed forces, today called on officers and men to modernize the People's Liberation Army (PLA) with Deng Xiaoping's theory of building socialism with Chinese characteristics.

While discussing with cadets at the Beijing-based National Defense University, Liu and Zhang, vice-chairmen of the Central Military Commission, praised Deng's theory as the "inheritance and development" of Mao Zedong Thought.

Liu Huaqing said, "Mao Zedong's ideas on military affairs and Comrade Deng Xiaoping's ideas on army building during the new period serve as the foundation and theoretical guidance for building the PLA in the new period."

He asked cadets to study both Deng's ideas on army building in the new period and Chairman Mao's works on military affairs.

He stressed the importance of studying the scientific stands, viewpoints and approaches in both Deng's and Mao's works in order to modernize the PLA effectively and enhance officers' command capabilities.

Liu noted that the most important and urgent task for the PLA today is the education and training of officers and men. He also called for close attention to studying measures and approaches on how to use the less advanced equipment to defeat a well-equipped enemy by displaying the advantages of "people's war".

He said that the PLA must always provide "a powerful guarantee of safety" for the reform, opening-up and economic construction in China.

The leader also stressed the importance of improving the work style of the Chinese Communist Party within the PLA and building a clean Army.

Liu called on officers, particularly senior officers, to set a good example in honesty and carrying forward the fine traditions of the party and the PLA.

In his speech Zhang called on the cadets to conscientiously study Deng Xiaoping's theory of building socialism with Chinese characteristics and Deng's ideas on army building in the new period.

He also called for efforts to study the characteristics of modern warfare, speed up PLA modernization and enhance the combat effectiveness of the Armed Forces.

Deng Xiaoping Inscribes Book on He Long

OW0211112393 Beijing XINHUA Domestic Service in Chinese 0902 GMT 1 Nov 93

[By reporter Ma Xiaochun (7456 2556 2504)]

[Text] Beijing, 1 Nov (XINHUA)—The Contemporary China Publishing House has published the *Biography of He Long*—a book with its title inscribed by Deng Xiaoping.

The life of Marshal He Long, who "carried out revolution with two kitchen knives," was highly legendary. The 500,000-character biography depicts in details the glorious history of He Long, who started as a poor child cowherd in a village to become a staunch revolutionary and communist. The book vividly describes his search for truth, his persistence in all endeavors, his loyalty to the party, and his revolutionary sentiment for maintaining close ties with the people. It reflects his military career and excellent commanding skill as a man who dashes about battlefields with courage and tenacity and as a man of great resources and decision. It shows his noble character as a man who was open and straightforward as well as a man who was so magnanimous and tolerant that he always took the situation as a whole into consideration. The *Biography of He Long* also contains a chronology of major events in He Long's lifetime and 125 pictures. This valuable book is full of historical materials and can serve as vivid teaching material for education on glorious tradition, revolutionary heroism, and patriotism.

Economic & Agricultural

Li Ruihuan Meets Overseas Investors From South

OW0211124493 Beijing XINHUA in English 1228
GMT 2 Nov 93

[Text] Beijing, November 2 (XINHUA)—Li Ruihuan, a top Chinese leader, today met a delegation here of overseas investors from Guangzhou and Shenzhen.

Li, member of the Standing Committee of the Political Bureau of the Chinese Communist Party (CPC) Central Committee, gave the delegation a warm welcome in the Great Hall of the People.

He said that to support inland economic construction, all the delegates were among the first to start businesses and build enterprises on the mainland since the start of the policy of reform and opening up to the outside world.

They brought with them good experience in running businesses and made great contributions to China's inland economic development, he said.

Li, also chairman of the National Committee of the Chinese People's Political Consultative Conference, hoped that further efforts would be made by both sides to open more and better inland enterprises.

He said it was of significance to arrange for these overseas investors to come to Beijing to report and discuss economic construction on the mainland.

The delegation was the first of this sort, organized by the Federations of Industry and Commerce (FIC) in Guangzhou and Shenzhen.

Li called on the FIC at all levels to voice opinions and suggestions for overseas investors and keep good links with them.

Li and other party and government leaders listened attentively to the delegation's report on improving the investment environment in Guangzhou and Shenzhen, and suggestions for quickening the development of joint ventures.

The majority of the delegation members are outstanding overseas businessmen in the industrial and commercial circles in Hong Kong and Macao.

Hu Jintao's Speech at Trade Union Congress

OW0211123893 Beijing XINHUA Domestic Service in
Chinese 1133 GMT 24 Oct 93

["The Great Mission of the Chinese Working Class—Message of Greetings at the 12th Congress of the All-China Federation of Trade Unions"—delivered by Hu Jintao on 24 October 1993]

[Text] Beijing, 24 Oct (XINHUA)—Comrades:

The 12th congress of the All-China Federation of Trade Unions [ACFTU] is being held at a time when China's reform, opening up, and modernization have entered a new period of vigorous development. Holding this congress is a major event in the political life of the hundreds of millions of workers across the country. Making the congress a success is of great significance to profoundly implementing the guidelines of the 14th national party congress, bringing into full play the role of the working class as a principal force, pushing forward socialist undertakings with Chinese characteristics, and further creating a new situation in the workers' movement and trade union work. Entrusted by the party Central Committee and the State Council, I would like to extend warm congratulations to the congress and express cordial regard and great respect to all delegates, model and advanced workers on all fronts, and the broad masses of workers and trade union cadres across the country!

China's working class is a contingent of especially capable fighting force, and it has always been the most fundamental force driving society forward. China's workers' movement has a glorious tradition, and it has always been an important part of our revolution and construction. During the period of New Democratic Revolution, China's working class, under the CPC's leadership, forged a close alliance with the broad masses of peasants. With its characteristic determination, thoroughness, revolutionary spirit, and indomitable heroic courage, it waged bloody battles and advanced wave upon wave, making immortal contributions to the overthrow of the three big mountains of imperialism, feudalism, and bureaucratic capitalism and the founding of New China. During the period of socialist revolution and construction, it worked very hard with a pioneering spirit in a determined effort to make the country strong and prosperous and made outstanding achievements in establishing and strengthening the socialist system and carrying out socialist construction in all fields. The Third Plenary Session of the 11th CPC Central Committee marked the beginning of a new historical period in China. Under the party's leadership, people of all nationalities throughout the country have triumphantly advanced along the course of socialism with Chinese characteristics chartered by Comrade Deng Xiaoping and have achieved great achievements.

which have been a focus of world attention. Our entire country radiates vigor of life. In the great historical process of reform, opening up, and modernization, the working class has worked in unity with a pioneering and enterprising spirit and has made new major contributions to advancing socialist material and spiritual civilization. History has proved and will continue to prove that China's working class is worthy of the name of being the most conscientious, disciplined class involved in socialized mass production; of being the country's leading class; of being the core force driving society forward; and of being a main force in revolution and construction.

The 14th national party congress has clearly established the principal tasks for China's revolution and construction in the 1990's and has shown the people across the country the brilliant prospects of marching toward the 21st century. China's socialist modernization is in a critical period, and the Chinese as a nation are facing a rare historic opportunity. In the face of this new situation and tasks, we must seize the opportunity to promote reform and opening up; accelerate the pace of establishing a socialist market economy; and promote sustained, rapid, and healthy development of the economy [cu jin jing ji chi xu kuai su jian kang fa zhan 0191 6651 4842 3444 2170 4968 1816 6643 0256 1660 4099 1455], and this is of decisive significance for realizing China's magnificent goal of socialist modernization. The great mission of the Chinese working class is to work together with the rest of the nation to hold high the banner of building socialism with Chinese characteristics; comprehensively implement the party's basic line; firmly grasp the central task of economic construction; unwaveringly develop socialist market economy, democracy, and spiritual civilization; and work hard to make China a prosperous, strong, democratic, culturally advanced, and modern socialist country.

To fulfill its great mission, the working class must make greater contributions to accelerating economic development. Economic construction is the foundation of all undertakings. It is the foundation of the entire social progress. To strengthen socialist system, increase our country's overall national strength, raise the people's standards of living, bring into full play the superiority of socialism, and remain invincible in the increasingly fierce international competition, the most fundamental thing is to uphold the party's basic line and concentrate our energies on promoting economic construction. As the advanced class driving social history forward, the working class must regard the liberation and development of productive forces as its duty and actively plunge itself into the great practice of economic construction with a strong sense of historical mission and a sense of responsibility as the master of the country. We must continue to carry forward the pioneering spirit of hard work and plain living and work diligently, heroically, and with complete dedication and devotion. We must proceed from our respective work posts to learn from and catch up with the advanced; strive to become first-rate workers; launch extensive drives to promote labor emulation and make rationalization proposals; and carry out technological renovation, cooperation, creation, and invention activities. We must strive to

improve product quality, increase efficiency, and develop production by every possible means to make new contributions to advancing China's economic construction to a new stage.

To fulfill its great mission, the working class must even more consciously stand on the forefront of reform. Reform is a profound revolution and the only road to liberating and developing productive forces. It is an undertaking of the hundreds and millions of people themselves, including the working class. Establishing and perfecting the socialist market economy and actively pushing forward reforms in all fields in accordance with the demands put forward by the 14th national party congress directly affect the course of China's socialist modernization. The working class should actively take part in and warmly support reform, and it should dedicate all its wisdom and energy to reform. Enterprise reform is the foundation of the entire economic structural reform and the central link in the establishment of a socialist market economy. Changing the operating mechanism of state-owned enterprises, particularly large and medium-sized enterprises, is a main emphasis of the ongoing enterprise reform. The broad masses of workers must actively take part in the various reforms of enterprises and make contributions to pushing enterprises to market competition, improving their standards, and strengthening their vitality. The process of reform will inevitably involve the adjustment of various interests. The broad masses of workers must continue to foster their fine traditions of keeping in mind the overall interest and the general situation; consciously subordinate their immediate, partial interests to their long-term, overall interests; and deepen the reform with concrete action and in the spirit of being the master of the country.

To fulfill its great mission, the working class must bring into full play its leading role in: building socialist spiritual civilization. The CPC-led socialism with Chinese characteristics organically integrates socialist market economy, democracy, and spiritual civilization. Strengthening socialist democracy, legal system, and spiritual civilization to promote all-around social progress while grasping firmly the central task of economic construction is essential to building socialism with Chinese characteristics and provides an important guarantee for it. The working class is not only the main force in building material civilization, it is also a great force in advancing socialist spiritual civilization. The broad masses of workers should enhance national dignity and pride, foster patriotism and collectivism, and strengthen their faith in socialism. We must vigorously advocate unity, fraternity, and the social ethics of taking pleasure in helping others and of readiness to take up the cudgels for a just cause. We must safeguard social morality; observe professional ethics; consciously resist the corrosive effects of money worshipping, pleasure seeking, and extraindividualism. We must use our advanced thinking and fine mental outlook to influence and bring along entire society. We must cultivate a sense of law, safeguard stability and unity, actively take part in the drive to improve social order through comprehensive means, firmly combat all kinds of violation of law and criminal acts, and struggle against corruption and social evils.

To carry out the great mission, the working class must strive to improve its quality in the course of practice. The working class is an advanced class not only because it symbolizes the advanced productive forces and production relations, but also because it can arm itself with advanced ideology and modern science and general knowledge and can transform the subjective work while transforming the objective world. The changes in the domestic and international situations and the tasks under the new situation have set a higher demand on the working class. Only by constantly raising its ideological and political awareness and scientific and cultural standards can the working class keep up with the demand of the times and fulfill its historical responsibility. The working class should diligently study Marxism-Leninism-Mao Zedong Thought, and should especially strive to study well Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics. In the course of study, the working class should grasp the basic viewpoints and spiritual essence, emancipate the mind, seek truth from facts, raise the awareness and steadfastness in implementing the party's basic line, and ensure that workers adhere to and do not waver in the party's basic line under any circumstances. The working class should actively participate in the study of general knowledge, science and technology, striving to master knowledge needed for socialist modernization and to quicken the pace of making the workers contingent better educated. Young workers constitute a fairly large portion of the working class. It is our earnest hope that the younger generation of workers class will inherit and carry forward the fine traditions, and step up efforts at study and practice, striving to temper themselves and become competent builders of socialism.

To rely wholeheartedly on the working class is a fundamental principle always adhered to by the party and the state. Ours is a socialist country of the people's democratic dictatorship led by the working class and based on the alliance between workers and peasants. The CPC is the vanguard of the working class that forms the class foundation of our party. The nature of the party and the state and the historical position and role of the working class dictate that we must wholeheartedly rely on the working class at all times and under all circumstances. Led by the CPC, we are carrying out the great pioneering undertaking of building socialism with Chinese characteristics, and are facing extremely arduous tasks. The party and the state need, more than ever, to bring into play the enthusiasm, creativity, and historic initiative of the working class and the masses of people. The socialist market economic system we want to establish is an integral part of the basic socialist system. The development of a socialist market economy will not change the nature of the state and the leading position of the working class in the national life. Party committees and governments at all levels should unequivocally and unswervingly uphold the principle of relying wholeheartedly on the working class. They should study new circumstances and solve new problems so that this principle can be better implemented in various aspects of the national political, economic, and social life. The working class which we must wholeheartedly rely on refers to the entire working class

comprising of workers, intellectuals, and managerial personnel. Within publicly owned enterprises, workers at large share identical interests with and occupy a status equal to that of scientists, engineers, and managers. It is necessary to more effectively implement the principle of relying wholeheartedly on the working class while bringing into full play the role of party organizations as the political nucleus and while persisting in and perfecting the director's responsibility system. It is necessary to further improve and perfect the system of workers congresses. To strengthen democratic participation and supervision by workers and staff and to enable them to exercise the powers and functions of democratic management, major issues of enterprises should be discussed at workers congresses or general meetings of workers and staff. Workers and staff should conscientiously abide by labor discipline, and safeguard the authority of administrative management. In non-publicly owned enterprises, workers and staff are also the masters of the country, and their lawful rights and interests should be protected.

Chinese trade unions are mass organizations of the working class led by the CPC. They serve as a bridge between the party and the masses of workers, and form an important pillar of social support for the state power. In the past 15 years since reform and opening up, trade unions at all levels, adhering to the party's basic line of "one center, two basic points," have done a great deal of work and played an important role in uniting and mobilizing the masses of workers and staff to safeguard social stability and to promote reform, opening up, and modernization construction. The vast number of trade union cadres have worked hard and conscientiously and performed their job outstandingly. In the new historical period, it is necessary to further strengthen work of trade unions as they carry out more arduous tasks and responsibilities and play a more important role. Trade union organizations at all levels must conscientiously accept the party's leadership and maintain a high degree of unity with the party Central Committee politically, ideologically, and in action. They should take Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and the party's basic line as the guide in carrying out work in close conjunction with the central task of economic construction, and in bringing into full play their special advantages in order to fulfill their social functions in all fields. While safeguarding the overall national interests, they should more effectively express and safeguard specific interests of workers and staff; they should mobilize and organize workers and staff in striving to fulfill tasks of economic and social development; they should fully exercise democratic participation and supervision in managing national and social affairs; and they should strengthen ideological and political education in building a contingent of workers with ideals, sense of morality, general knowledge, and discipline. They should strive to improve their own quality in order to constantly increase the vitality and appeal of trade unions. Forging close ties with the masses is the prerequisite and foundation for ensuring success of the work of trade unions. Trade union cadres should regularly go down to the grass roots to mingle with the masses, listening attentively to their views, reporting their opinions

and demands to higher authorities, solving practical problems, and rendering actual services for workers. Trade unions at all levels should become the "house of workers" trusted by the masses of workers.

Party committees at all levels should strengthen and improve the leadership over trade unions' work, holding periodic discussions on major issues related to trade unions' work and supporting their effort to conduct work independently and creatively and in accordance with the law and their own constitutions. It is necessary to guide and help trade unions to improve the quality of cadres, attaching particular importance to strengthening the building of leading bodies at all levels. It is necessary to appoint trade union cadres at all levels in line with the requirement of making the ranks of cadres more revolutionary, younger in average age, better educated, and professionally more competent, and with the principle of having both political integrity and ability. The governments should support trade unions' work and create the necessary conditions for them to carry out their work. It is necessary to earnestly listen to opinions of trade unions and workers at large when formulating major reform measures, policies, and laws involving the vital interests of workers and staff. Party committees and governments should concern themselves with workers' livelihood, and adopt various measures to help poor workers and staff solve practical problems, so as to protect, guide, and harness the enthusiasm of the masses of workers.

Comrades, the future is bright for the great undertaking of building socialism with Chinese characteristics. The burden is heavy and the road is long for the Chinese working class. Let us unite more closely around the party Central Committee, with Comrade Jiang Zemin as the nucleus, work with one heart and one mind, and advance valiantly, so as to make still greater contributions to realizing the magnificent goal and tasks laid by the 14th CPC National Congress!

May the congress be a great success.

Zou Jiahua Stresses Need for Safety in Industry

*OW3010155993 Beijing XINHUA in English 1511
GMT 30 Oct 93*

[Text] Beijing, October 30 (XINHUA)—Chinese Vice-Premier Zou Jiahua said today that quite a number of industrial accidents have happened since July, and that should the trend not be curbed the nation's reform and opening-up, as well as its economic development, will be affected.

"Safety should never be neglected in economic development," Zou told a national telephone conference. "If minor problems in safety are not solved in time, they will brew up into serious elements of danger."

Statistics show that more than 60 percent of accidents are due to neglect, carelessness or lax management.

Zou said that industrial accidents must be diligently dealt with, with the causes and people concerned made clear.

He called on all local governments, all central government departments and all major companies to mobilize their forces to check on their industrial safety situations.

State Council Urges Steps To Curb Accidents

*OW2910125393 Beijing XINHUA in English 1234
GMT 29 Oct 93*

[Text] Beijing, October 29 (XINHUA)—The Chinese State Council has recently issued an urgent circular, demanding for effective measures to prevent major accidents in the country.

It said that many big accidents have occurred since August, causing great losses and affecting economic construction and social stability.

It noted that safety in production remains an arduous task in China.

The circular demands that the leaders of major departments of the State Council, and of the provincial, autonomous regional and municipal governments, go to production sites to inspect conditions and arrange for safe production.

It said that a safety examination will be carried out all over the country, with the focus on communications, transportation, trade, coal mines, sites containing highly inflammable goods, oil tanks, and lifting equipment.

The circular also demands that provinces and departments look into major accidents.

It stressed serious handling of accidents that were caused by bureaucrats and those who overlooked safe production.

Editorial on 'Serious' Industrial Safety Status

*HK0211060493 Beijing RENMIN RIBAO in Chinese
31 Oct 93 p 1*

[Editorial: "Take Safety in Production As an Outstanding Task"]

[Text] Since the beginning of this year, accidents of all kinds have occurred at a high incidence rate in all parts of the country and the industrial safety situation is extremely serious. The explosion of dangerous chemicals in Shenzhen, the fire at the Longfu Building in Beijing, the collision of passenger train No 163, the crash of a passenger plane on 23 July all had a very bad social impact on the public. According to statistics from the relevant departments, by the end of September, major accidents causing three or more deaths in industrial and mining enterprises throughout the country numbered 380, killing 2,432 people in total. These serious industrial accidents have caused irretrievable losses to the lives and property of the masses and the state. After the initial shock, people showed more serious concern over the industrial safety situation. It is now time to actually raise our alertness. The State Council recently issued an urgent circular, requiring all localities to rapidly take action to check major and serious accidents. All localities and departments must resolutely and conscientiously implement the State Council's circular and take

action without delay to effectively change the unfavorable situation in the industrial safety aspect.

The frequent occurrence of accidents this year was caused by many factors, the most prominent being the three following points: Leaders loosening their attention to industrial safety; the safety responsibility system not being effectively implemented; and legislative supervision lagging behind.

Some localities, department, and enterprises neglected industrial safety in the course of transforming the government functions and transforming the enterprise operation mechanism. They weakened the organs responsible for industrial safety and slackened safety management. Some leaders attached importance to production and economic efficiency and this was not wrong; however, they were wrong to neglect and loosen management over industrial safety. "Giving top priority to industrial safety, mainly making efforts to prevent accidents" is a guideline established in the long course of productive practice and on the basis of paying heavy costs, including the costs of blood and lives, and is in line with the fundamental interests of the state and the people. We must never forget it at any time.

The imperfection and bad implementation of the industrial safety system was another major reason why accidents occurred so frequently. Some localities, departments, and enterprises did not establish a strict responsibility system for ensuring industrial safety while developing the economy and increasing production; or simply neglected the established responsibility system while striving for a higher growth rate and higher economic efficiency. The rules and regulations on industrial safety in enterprises became nothing but an empty shell and work discipline became slack. People acted recklessly without due regard to safety. After an accident occurred, responsibility could not be fixed clearly and people passed the buck to each other. This also made it hard to investigate the causes of the accidents. In some cases, another similar accident occurred before the problems with the previous one had been solved.

The frequent occurrence of accidents was also caused by another major factor, namely, the backwardness of safety legislation and the ineffectiveness of supervision and inspection. Along with economic and technological development, and with the flourishing development of various industries, it is urgently necessary to formulate a law on industrial safety. The implementation of the existing rules and regulations on industrial safety must also be guaranteed by effective supervision and inspection institutions and measures.

In addition, for a long time past some of our enterprises have made little input to industrial safety. As a result, the conditions are poor; the equipment is obsolete; and loopholes and hidden perils exist in large quantities. This has also increased the frequency of industrial accidents. Some enterprises employ a large number of rural laborers on a temporary basis to fill the posts which require high labor intensity and face dangerous and difficult work conditions. Many of these workers are not well educated and lack a sense of industrial safety. They are assigned to work before

they are properly trained and lack the ability to handle sudden accidents and to protect themselves when accidents occurred. This was often the direct cause of the accidents.

At present, a vigorous development situation exists in our country's reform, opening, and modernization. The work of guaranteeing industrial safety closely around the central task of economic construction is an important condition for economic development and social stability. Effectively reducing accidents of all kinds and establishing good order and a benign industrial safety environment is also an important condition that must not be neglected for the establishment and development of the socialist market economy. In the past, when economic development was stressed, some enterprises tended to separate production development from industrial safety or even set one against the other and tended to neglect industrial safety, resulting in a marked increase in industrial accidents of all kinds. This is a lesson that we should learn. It must be pointed out that in the course of expanding enterprises' decisionmaking powers, they must not neglect the work concerning industrial safety and management and supervision over industrial safety must not be weakened because of the institutional reform. In the aspect of industrial safety, there is no such thing as "relaxing control." State-owned enterprises, collective enterprises, foreign-funded enterprises, and private enterprises must all abide by the relevant laws and regulations in our country and effectively ensure industrial safety. The government departments concerned should, in accordance with the law, actively prompt the enterprises to ensure industrial safety.

When the government institutions are transforming their functions and the enterprises are transforming their operation mechanisms, they should continue to stress the principle that "those taking charge of production must also take charge of industrial safety." The industrial safety system in which the enterprises take responsibility, the trades exercise management, and the state and the masses carry out supervision should be established according to the spirit of the State Council's circular. The enterprises should undertake the important tasks of ensuring industrial safety and conscientiously carrying out the guideline of "giving top priority to industrial safety and mainly making efforts to prevent industrial accidents." The legal representative of an enterprise should be the primary person responsible for industrial safety and should act strictly in accordance with the rules and regulations on industrial safety, reinforce the responsibility system for industrial safety, perfect the management institutions, and assign a certain organ to take charge of industrial safety in the day-to-day work, thus actually guaranteeing safety in production and operation.

In recent years, our country has done a great deal of legislative work concerning industrial safety and has promulgated many relevant rules, regulations, and standards. But this is still not enough. The process of legislation should still be accelerated and the law on industrial safety should be formulated as soon as possible. At the same time, the established regulations must be implemented strictly. The relevant laws and regulations must be observed; law

enforcement must be strict; and those violating the laws and regulations must be punished. After a major accident occurs, the causes must be clearly investigated, responsibility must be fixed, and all problems must be resolved seriously without any delay. First, responsibility should be fixed on the legal representative of the enterprise concerned. People who are responsible for a major industrial accident due to their serious bureaucratic style of work and their dereliction of duty must be severely punished; those who violate discipline should be disciplined; and those who violate the laws should be brought to justice. They must not be let off under any circumstances.

Industrial safety is a matter of great importance concerning the national economy and the people's livelihood. Leaders at all levels must really give top priority to the work of guaranteeing industrial safety in their minds and should mobilize and rely on the broad masses and adopt effective measures to check the further worsening of the situation in this regard, thus guaranteeing the smooth development of economic construction.

Vice Finance Minister Jin Renqing Interviewed

*HK3110073493 Beijing RENMIN RIBAO in Chinese
20 Oct 93 p 2*

[Interview with Vice Finance Minister Jin Renqing by unidentified RENMIN RIBAO reporter; place and date not given: "Strictly Control Excessive Growth of Institutional Purchasing Power"]

[Text] [RENMIN RIBAO] One of the measures to strengthen macroeconomic regulation and control proposed by the CPC Central Committee and the State Council was to control the excessive growth of institutional purchasing power. Recently, the State Council issued another notice, once again emphasizing strict control over excessive growth of institutional purchasing power. We would like to hear your comment on the relevant situation.

[Jin Renqing] According to the statistics provided by the nationwide control office [as published], from January to August 1993, spending from the purchasing power at county and above levels in the whole country was 42.7 billion yuan, a 19.6 percent increase over the same period last year, and, within such spending, money spent on commodities under special control prescribed by the state was 27.47 billion yuan, a 50.24 percent increase over the same period last year. Regarding the situation of approval for purchase of commodities under special control, from January to August, a total of 180,735 cars (including two parts: productive and nonproductive) was approved, amounting to 23.85 billion yuan, a 60.02 percent increase over the same period last year; a total of 113,879 sets of cordless mobile communication facilities was approved, amounting to 510 million yuan, an 83.94 percent increase over the same period last year.

From January to August this year, the expansion of institutional consumption had the following characteristics:

Unrealistic. One of the important characteristics of the expanding institutional consumption at this time is deviation from the country's condition, from the actual level of

development of the social productive forces in our country, and from the people's standard of living; and blind pursuit of high quality, new style, and luxury, causing much waste. The most prominent manifestation in this aspect is the inappropriate pursuit of office automation and the purchase of a large number of quality cars from abroad. In some places, they have deficits for years and cannot even guarantee the payment of wages, but they have never stopped the purchase of cars; and some enterprises have been making losses for a long time, and owe the state taxes and profits, but they are still buying cars, and some even borrow money to buy cars.

Variation. Great amounts of money are spent on a routine basis by individuals in the name of institutional consumption, leading to expansion of institutional consumption.

Universality. The expansion of institutional consumption at this time is not a partial expansion, but an overall expansion; and it is not a problem confined to a small number of localities, departments, and units, but a problem which can be found in every corner of the country.

[RENMIN RIBAO] What are the reasons for the excessively rapid growth of the institutional purchasing power?

[Jin] There are objective reasons as well as subjective ones.

Since the second quarter of 1992, the national economy has gradually entered the phase of rapid development, investment in fixed assets has increased, the scale of capital construction has expanded, the release of currency has increased, and there has been a craze for establishing development zones and companies of various kinds, causing an expansion of institutional consumption.

Price increases have also had a direct influence on the growth of institutional consumption. In the first half of this year, the inflation index in big and medium cities in the whole country reached two digits.

Easygoing management. Since last year, various quarters have strongly demanded less control over purchase, and some localities and departments have taken many easygoing measures at their own discretion, delegating some administrative powers to lower levels, and some localities have even abolished management and control over purchases among enterprises; because the socialist market economy system has yet to be established, therefore an absolute majority of enterprises have poor self-restraining mechanisms, and this leads to expansion of institutional consumption.

Some units are competing among themselves for more consumption as their consumption desires increase.

In addition, the phenomenon of using public money to eat and drink, tour, and send gifts, which has run rampant, has also directly led to expansion of institutional consumption.

[RENMIN RIBAO] Why is it important to strictly control the overly rapid growth of institutional purchasing power and to strengthen management and control over purchase?

[Jin] First, strict control over the excessively rapid growth of institutional purchasing power can help in

some way to reduce inflation pressure. Although institutional consumption is only a part of the total demand, it has a certain role to play in balancing total supply and total demand, and, in particular, it has an impact on commodities such as cars, which are under special control and are mainly bought with public money. Because our country has limited ability to produce cars, while groups and units want to buy cars very much, and production cannot meet need, the price of cars increases, and prices of means of production also increase as a result. Therefore, to a certain extent, a strict control over institutional consumption has a great role to play in balancing total supply and total demand.

Second, such control can reduce the deficit, thus, more funds will be available for economic construction.

Third, it can stabilize the economic order. Expansion of institutional consumption has intensified the conflict between supply and demand of some commodities such as cars and cordless telephones, thus providing some unlawful dealers with chances to use unlawful means to reap undue profits; when social groupings use unreasonable or even unlawful means (such as random appropriation and cost quoting, transfers of profit, setting up small private treasuries, keeping a balance book apart from the official one, embezzlement, use of special project funds for other purposes, and so on) to expand institutional consumption, repercussions in the economic order are obvious.

Fourth, it also has great significance for advocating and developing the good traditions of plain living, hard work, and building the country diligently and economically; of safeguarding the images of the party and government; and of fighting against corruption and strengthening clean government building.

[RENMIN RIBAO] What are the actual measures which will be taken to strictly control the excessively rapid growth of institutional purchasing power?

[Jin] The First step is to have a consensus. Leaders at various levels, financial personnel, and comrades who are in control of purchasing, must realize that control over institutional purchasing power is long-term work and must be grasped persistently. Leaders at various levels must be able to play an exemplary role, adhere to rules strictly, support the work of the control office, and earnestly solve the problem of violation of or escape from control. At the same time, they must strengthen management. They must strictly control purchase indexes, and when they purchase equipment they must strictly adhere to the purchase indexes issued by the state, and must not exceed them. In localities where indexes are exceeded, lower indexes will be set correspondingly for next year, and the persons in charge and relevant leaders will have their responsibilities looked into. Strict rules will be observed when examining and approving purchase of the eight kinds of commodities under special control stipulated by the state; in principle, in the second half of this year, approval for purchase of cars and cordless communication equipment for administrative departments

was halted temporarily. Approval for applications for purchase of commodities under special control filed by loss-making enterprises or enterprises which have not paid outstanding taxes must also be halted. Enterprises and units which use the license plates for foreign-funded enterprises, the Army, the armed police, public security organs, and individuals in order to avoid the control over purchase, will be seriously sorted out and solemnly handled according to state regulations.

It is necessary to stabilize and increase the personnel in purchase control organs. At present, the socialist market economy system has yet to be established, and social groupings do not have very sound self-restraining mechanisms; therefore, purchase control organs and personnel should not be weakened, and their work should not be slackened. The actions of weakening purchase control organs, decreasing purchase control cadres, and slackening purchase control management, must be corrected.

Official Outlines Overall Tax System Reform

HK3110070493 Hong Kong MING PAO in Chinese 24 Oct 93 p b15

[Report from Beijing by special reporter Ching Chi (5427 2765): "Jin Xin, Director of State Administration of Taxation, Puts Forth Taxation Reform Plan Which Will Be Implemented Next Year"]

[Text] At the National Work Conference on Taxation System Reform the other day, Jin Xin, director of the State Administration of Taxation, said that 1 January will be an important turning point for China's taxation system and that next year's taxation system reform will be an important milestone for China's taxation system. This shows that China's taxation system reform will be introduced soon.

According to Jin Xin, the guiding principle for the reform plan is to unify taxation regulations, ensure fair tax burdens, simplify the taxation system, distribute power reasonably, straighten out distribution relationships, standardize forms of distribution, ensure revenue income, and establish a taxation system that meets the demands of socialist market economy.

It was disclosed that taxation reform has four basic components: First, regarding reform of the personal income tax, it will merge the existing personal income tax, the personal income regulatory tax, and the income taxes of urban and rural individual entrepreneurs and industrial and commercial units by establishing a uniform personal income tax. The expense deduction [fei yong kou chu e 6316 3938 2099 7110 7345] from the personal income tax after the reform will be 800 yuan per month. Personal income taxes will be calculated according to progressive rates levied on six-step incomes in excess of specific amounts. The rate for the lowest step is 5 percent and that for the highest is 45 percent.

Second, regarding reform of the income taxes of enterprises, it will, in the first place, unify income taxes for home enterprises from 1994 onward and then for foreign enterprises. A proportional tax rate of 33 percent will be put into practice for home enterprises and two extra preferential

taxes will be added in light of the actual profits of enterprises. After the uniform income tax is introduced for home enterprises, the current income tax for contracting enterprises will no longer be used.

Third, regarding reform of the circulation tax [liu zhuan shui 3177 6567 4451]. After reform, circulation taxes will consist of value-added, consumption, and business taxes. It will apply to both home and foreign enterprises. The industrial and commercial consolidated taxes currently levied on foreign enterprises will be canceled. The value-added tax is generally levied on the production, distribution, retail sales, and import of merchandise. Moreover, the consumption tax will be selectively levied on some consumer goods and the business tax will be levied on tertiary industry and on labor service transactions on which the value-added tax is not levied.

Fourth, regarding the reform of other taxes, it mainly includes starting to impose a land valued-added tax, securities transaction tax, the inheritance tax, and complementary tax [zeng yu shui 6362 5280 4451], and imposing city maintenance and construction taxes. Some individual taxes will be canceled, merged, or adjusted, and jurisdiction delegated.

Jin Xin said: Taxation system reform this time is for the overall structure of China's taxation system rather than bits of reform or reform of individual taxes. We shall form a new structure after the reform and establish a taxation system that conforms to China's national conditions and international practice, that embodies the needs of a market economy, and that is beneficial to economic development. Since the problems involved in the reform are very complicated, interests between regions will inevitably be affected. Therefore, it will meet much resistance in its introduction. On the one hand, therefore, we will adopt some measures to maintain vested interests untouched as much as possible to avoid an exceedingly great shock and reduce resistance to reform. On the other hand, we must also stress the need to consider the overall situation.

Economist Makes Case for 'Gradual' Reform

HK3110070893 Hong Kong TA KUNG PAO in Chinese
23 Oct 93 p 2

["Special Dispatch" by staff reporter Ma Ling (7456 3781): "Gradual Reform Is in Keeping With National Conditions—Liu Guoguang on Socialist Market Economy Strategy"]

[Text] China's economic reform, carried out since the 14th CPC National Congress decided to develop a socialist market economy, has now come to a new turning point. How to analyze the epoch-making "socialist market economy" specifically and enable the economy to break through the limit set by the target of economic restructuring is an important and pressing task facing the government leadership and economists.

Two Aspects of China's Economy

Famous economist Liu Guoguang, who is member of the National People's Congress Standing Committee, vice president of the Chinese Academy of Social Sciences, and professor of Beijing University, has led a study group under the Chinese Academy of Social Sciences in carrying out a series of theoretical study of the problem since the first half of this year.

This reporter interviewed Liu Guoguang on the results they have made.

He said that the "socialist market economy" is composed of two elements: Socialism means the socialist relations of production with public ownership as the dominant sector of the national economy, while the market economy refers to the modes of economic operations and of allocation of natural resources. Some theorists once believed that to bring the market economy into full play calls for large-scale privatization. Proceeding from the belief that socialism is compatible with the market economy, we now maintain that while preserving public ownership as a restraining condition for reform, economic operational mechanisms and the mode of allocation of natural resources can be created on a market basis.

Liu Guoguang continued: Since the 14th CPC Congress, China's economists and reformists have been exploring for ways to the socialist market economy. After over a year of practice, they are convinced that reform should progress step by step, because China is a big country with a huge population and with uneven economic development and because things are complicated in China. A radical change in political and economic systems such as happened in the former Soviet Union and eastern European countries is not suitable for China.

Liu added: The four main tasks for improving the framework of the socialist market economy are: Reorganizing relations between ownership and management of enterprises and setting up a modern enterprise system; developing a full-fledged market system and setting up rigorous market order; changing government functions and exercising effective and scientific macroeconomic control; and setting up a social security system covering all workers in society. In a word, the most important task is to standardize China's current economic reform with a modern enterprise system.

The Modern Enterprise System Calls for Complete Separation of the Functions of Government From Those of Enterprise

1. To reorganize relations between ownership and management and to set up a modern enterprise system, it is necessary to straighten out relations between ownership and management of state-owned enterprises and completely separate functions of the government from those of the enterprise so that enterprises will operate with adequate flexibility, set up an organizational structure which suits the market, and readjust their management decisions in light of market needs. We should update the enterprise system in changing the way state-owned enterprises operate or in

developing nonstate-owned enterprises. Large and medium state-owned enterprises should be changed into limited liability companies or limited stocks companies. Only a few companies should be allowed to list themselves in the stock market. The contract system should remain valid in those state-owned enterprises which are not qualified to be changed into limited liability companies or limited stock companies, but a system whereby enterprises pay tax plus a percentage of profits should be introduced; namely, enterprise profits should not be distributed before they have paid circulating and income taxes. Enterprises under different forms of ownership should be treated as equals where taxation is concerned. Small state-owned enterprises can be sold or leased out to collectives or individuals.

2. To develop a full-fledged market system and set up a rigorous market order, it is necessary to replace the existing double-track pricing system with a single-track one, and focus on developing markets for essential factors of production including labor and real estate. The price of essential factors of production and interest rates should be allowed to fluctuate according to market needs and should be controlled with more market mechanisms. We should improve the management of the market order and enact laws to protect normal competition in the market. In addition, lawyer associations, accountant associations, notary offices, commercial chambers, and other intermediary organizations should be set up and improved.

3. To change government functions, it is necessary to weaken micro control and increase macro control functions. The practice by which "a person simultaneously serves as an athlete, a referee, and the one who formulates regulations" should be abandoned. The government should give up direct interference and manage industrial enterprises through formulating industrial policies and by economic means. The financial, banking, and taxation systems should be reformed. A system in which tax revenues are shared by central and local authorities should be introduced so that central authorities can more effectively exercise control. A circulating tax system with a added value tax as the mainstay and a income tax system with taxes on enterprises and individuals as the mainstay should be set up. A financial system comprising a central bank, noncommercial banks, commercial banks, and nonbanking financial institutes should be improved. In strengthening state macroeconomic control, planning, finance, banking, and taxation should be put into a correct relationship. Our ultimate aim is to set up an economic system which will help implement the industrial policy and ensure sustained, stable, and high-speed economic development.

Set Up Three Sets of Social Security Systems

4. Social security systems covering every worker in society should be set up in light of China's actual conditions and according to modern society's principle of setting up the system. At the present stage, we should work hard to establish three sets of social security systems: One, a social security system for workers of state organs and institutions; two, a social security system for workers of enterprises (including state enterprises, collectively owned enterprises in urban areas, foreign-funded enterprises, and township

enterprises); and, three, a social security system for peasants. We should draw on Singapore's provident fund system by entrusting the social security provident fund with control of fund management companies. For the time being, the fund can be left to the care of the central or local governments. Consequently, large and medium state-owned enterprises will be forced to compete with enterprises under other forms of ownership.

Apart from the four tasks mentioned above, Liu Guoguang also mentioned the reform of management systems for foreign trade, science and technology, and education. In short, the study group's main task is to accurately find out the first and decisive reform task to be fulfilled for establishing a socialist market economy so that China's reform will proceed in a legal, orderly, and modern way. (Special dispatch from Beijing, 22 October)

Commentary Calls For Deepening National Reform

OW0211061893 Beijing XINHUA in English 0609
GMT 2 Nov 93

[Text] Beijing, November 2 (XINHUA)—The "PEOPLE'S DAILY" [RENMIN RIBAO] today carries a commentary titled, "The Fundamental Way Out for China Lies in Deepening the Reform."

It quoted President Jiang Zemin as saying "the fundamental way out for solving contradictions and problems cropping up in the current and future economic development is to deepen the reform and speed up the establishment of a socialist market economy."

Forming a new economy is a huge task of social systems engineering, which is in need of an overall framework. It should start by solving the most prominent contradictions and problems in the current development in an orderly way step by step.

"This is the guiding principle for our work ahead," the commentary says, urging "Communist Party and government leaders at their different posts to concentrate on further reform."

According to the commentary, the 15-year national reform has enabled China's economy to undergo profound changes.

China is forming a booming economy with public ownership as the mainstay coexisting with other economic sectors.

State enterprises are shifting their operational mechanism toward a market economy, and this is playing an important role in regulating commodity production as well as other economic fields.

China is taking an active part in international exchanges and foreign economic and technical exchanges and cooperation.

In addition, it has continuously probed the reforms in the systems of science and technology, education and distribution.

"All these have paved the way for further national reform," the commentary said.

The commentary noted that the measures to deepen the reform aimed at building a new frame for China's socialist market economy are still under deliberation.

They include the following content:

—To establish and improve a market system, particularly to promote the formation and improvement of markets for factors of production including property, equipment, raw materials, technology, information and labor forces.

This is the key link to bring into play the market mechanism in the disposal of resources, the commentary said.

At present, the sluggish development of markets for factors of production has restrained the formation of the market system. Therefore, the key point to develop the market system is to expand the markets for finance, real estate, employment, technology and information.

—To accelerate the reform of macro-control field to form an indirect macro-control system with economic means in the main to meet the needs of the socialist market economy.

The paper noted that even after the state has shifted from a direct to an indirect macro-control system, it will still need the administrative mechanism, but it must make full use of economic means and avoid using the levers of the planned economy to regulate the market economy.

The breakthrough point of the reform will come when the systems of banking, finance and taxation, and investment are readjusted.

Jiang added, "we must do a good job in reforming the micro foundation of the socialist market economy and helping large and medium-sized state enterprises to shift their operation mechanism as quickly as possible so as to form a system of modern enterprises."

This is a vital step to combine public ownership with market economy, the paper stressed.

It noted, "history has taught us that we will come across difficulties and obstructions at every step of the reform."

It called on the people to get rid of outmoded notions, further carry out the national reform, and follow Deng Xiaoping's instruction to take bold practical steps while continuously summing up experiences.

Report Advises Market Measures in Grain Reform

HK2910154093 Beijing CHINA DAILY in English 29 Oct 93 p 4

["Report Calls For Market Measures in Grain Reform"]

[Text] To ease the State's burden and fully embrace the market economy, China has begun a reform on the purchase and sale of grain.

In addition to the current reform which focuses mainly on price reform, the country should try to set up a market-oriented system to improve the farming, purchase, marketing, distribution and storage of grain, said a research report in China Soft Sciences Magazine.

Entitled "Findings and Suggestions on the Grain Purchasing and Marketing System in China," the article gives a systematic outline for grain reform.

The research was conducted by China Soft Sciences Consulting Committee.

Since 1991 most places have lifted price controls on the purchase and sale of grain.

Before that, State grain shops rationed grain to residents.

Governments used to subsidize the shops, which sold grain at a fixed price much lower than what the government had paid to farmers.

The reform is mainly aimed at lessening the State's financial burden. No panic buying has been triggered thanks to the enormous storage of grain.

However, in some places, the lifting of price controls has not brought expected financial relief to local governments. In many cases, money saved has been used to subsidize State grain stores that have suffered losses because of competition from the free market.

The country has made rapid progress in increasing grain output. Grain output was 446 million tons in 1990, almost three times that of 1952, and citizens now consumes an average of 390 kg of grain annually.

Consumers' food preferences have also changed.

Demand for variety and quality in grain has overwhelmed the demand for quantity. And Chinese are eating less rice and flour.

As a result, the country has suffered from a shortage of quality grain in spite of bumper harvests in the past few years. Each year it has to import quality rice, wheat and barley.

The demand for forage crops has also dropped.

The market for seeds and for crops used in industry, however, remains unchanged.

The slack demand for grain has lingered since the mid-1980s, making it hard for farmers to sell and store their crops.

Under such circumstances, the government should adjust grain planting structure and gradually improve the purchase, marketing and storage of grain in order to adapt to the market economy.

The researchers anticipate that China's grain output will reach 494 million tons in 2000. The per capita supply will be 380 kilograms annually, approximately the world's average in 1990.

Farming area is expected to drop 700,000 hectares by 2000, with the multiply cropping index rising to 1.58.

In addition, scientific progress is expected to contribute to an increase in output of about 2.5 kilograms per mu.

By 2000, each mu of farmland will receive about 25 kilograms of fertilizer. Grain yield per mu by then will grow by more than 10 kilograms with the spread of each additional kilogram of fertilizer.

Grain demand will be 482 million tons in 2000, 345 million of which will be consumed by the people, the report predicted.

At the present time, it is imperative to encourage farmers to grow more quality grain and increase the variety.

To let the market mechanism work the government should use market levers to widen the price difference between various products and lure farmers to adjust growing pattern according to the demand.

Other than ending the grain rationing system, the country should carry on a systematic grain reform which involves management, production, and price setting.

Under the general reform, different places should take measures suitable to local situations. The central government, on the other hand, should give grain producing areas more protection and aid.

Meanwhile, it is crucial for the government to deal with problems that may hinder reform.

First of all, the government sign purchasing contracts with farmers to ensure farmers' confidence.

Governments at all levels should set up risk funds to handle market shocks that may occur during the reform.

As the proportion of grain consumed indirectly is expanding, it is suggested that the country establish new "food" quotas.

Moreover, the central government should strengthen protection and macro-control on grain production, purchase and marketing.

Government should draw medium and long-term strategies and schemes for the development of food and grain, set up a safe and sound grain storage system and develop standards, quotas, laws and regulations.

It is imperative for the government to set up information systems and help coordinate grain supply between different parts of the country to keep regional supply and demand even.

Analysis on Consequences of 'Bao-Yan Tumult'

HK3110071093 Hong Kong WEN WEI PO in Chinese
25 Oct p 93

["Special Feature" by staff reporter stationed in Shanghai Chiu I (5941 3015): "There Are Still Repercussions of the Bao-Yan Incident"]

[Text] Shanghai, 24 Oct (WEN WEI PO)—The tumult touched off by the acquisition of "Yanzhong" by "Baoan" has subsided following the conclusion drawn by the National Committee for Securities Supervision. However,

the various adverse impacts produced by the tumult tend to have a long-lasting effect. Recently, experts and the media concerned conducted studies of the consequences of the "Bao-Yan tumult".

Arousing the Awareness on Interest

Parties concerned believe that the "Bao-Yan tumult" has touched on the issue of interest, a key issue of the joint-stock system, and aroused the increasingly dim awareness of both corporate and state interests. In the past, some corporate shareholders considered it a mere formality to attend the shareholders' meeting of their company; and they were indifferent about and refused to take part in the formulation of the company's long-term development plan or its policy-decisions concerning major operational moves. What is more, some of them cared about nothing but the annual placement plan. The "Bao-Yan tumult" has served to show that it is a workable practice for enterprise legal persons to attain their operational goals through control over interest, and it departs from the original meaning of investment to place stress on the operational differences of the stock market to the neglect of joint-stock companies.

By the same token, since state warrants have infiltrated the second-tier market, the proportion of state shares held by some joint-stock companies has begun to decline, and some companies even see a lower proportion of state than of individual shares. Almost all listed companies have now given up altogether on the placement of state shares. Under such circumstances, can we ensure that the state can maintain control over the shares of enterprises and over the stable value increase of state shares? Such a situation proves that Hong Hu, vice minister of the State Commission for Restructuring Economy, did not entertain groundless fears when he expressed concern the other day over the interests of state shares in enterprise merges.

Legislation Needs To Be Perfected Immediately

The "Bao-Yan tumult" serves to bring to light evident loopholes in China's current rules and regulations. These rules and regulations are highly principled, yet they lack a corresponding serviceability when put into practice. Some relevant law experts held that the tumult has exposed, in the first place, our failure to set a clear definition on the acquisition of listed companies. What is acquisition of a listed company? Does the Baoan Company's move constitute an acquisition? Securities and legal circles and the media all have given confused replies to these questions. Moreover, there has not yet been any definite legal stipulations on "counteracquisition" moves. On the other hand, the "Bao-Yan tumult" has also shown the poor feasibility of relevant rules and regulations currently in use. A transaction is a dynamic process; however, because of the lack of an effective warning system, disputes have risen over whether or not the move of "Baoan" is legal when it holds 5-16 percent of shares.

Investigations Urged of "Behind-the-Scenes Deals"

The mass media believe that judging from the consequences of the speculations on "Yanzhong" shares, which resulted

from its acquisition by "Baoan," stock prices of the entire market plummeted despite drastic ups and downs in the prices of "stocks with acquisition exposure," including the four little dragons of Yanzhou, Xingye and Zhonghua, Xiaofeile, and Aishi. Last Friday (22 October), the Shanghai Securities Index ended at 818.81 points, down 38 points over last week. The prices of many blue chips also plunged; for example, the price of Guomai stocks, which has an after-tax profit of over one yuan, was even lower than the price of Yanzhong, of which the profit stood at only a little over 0.2 yuan. Such a situation has undoubtedly led to the unreasonableness and opportunism of the market, and heightened the risk of investment. Some people did make a fortune during the "Bao-Yan tumult," yet a many more were trapped in the market or even went bankrupt.

Among all adverse impacts produced by the "Bao-Yan tumult," the most noticeable is the issue of "behind-the-scenes deals." Rumors are spreading in the market that "Baoan reaped staggering profits by making use of market information." According to analysis of the media, Baoan made a profit of at least 150 million yuan from market differences. Therefore, the media has urged relevant departments to find out the truth through investigation to protect the interest of medium and small investors.

Market Economy Promotes New Ties Between Regions

OW3110024493 Beijing XINHUA in English 0200
GMT 31 Oct 93

[Text] Lanzhou, October 31 (XINHUA)—With the expansion of the market economy, China's more developed eastern provinces and the backward western regions have worked to promote a new kind of co-ordination, high-lighting partnership and mutual benefits.

In recent years, the five autonomous regions of Xinjiang, Ningxia, Guangxi, Tibet and Inner Mongolia have signed over 19,000 contracts with other provinces, introducing some 10 billion yuan-worth of funds and materials.

The western region has lagged far behind in economic development owing to its geographic disadvantages, while the east, mainly covering the coastal areas, has always been leading in the country's economic development.

Despite the implementation of the reform and open policies since 1978, the gap between the two regions hasn't been much narrowed although the west received a lot of assistance from the east.

However, pushed by market forces recently, their co-operation, carried out under the principles of equality, mutual openness and mutual benefits, has seen initial successes.

Over 150 medium or large sized enterprises, involving fields like textiles, electronics and machinery, have been built, including a group of coal mines in Inner Mongolia and the construction of a sugar-refining center in Guangxi.

In turn, the development of the coastal areas has also been boosted with abundant resources from the western regions.

Shanghai has paid 1.8 billion yuan to the western region for 80 percent of the raw materials it needed in processing industries. And Shandong now has a large industrial output value gained through co-ordination with the western region.

The co-operation takes various forms, such as transmission of technology and trade-marks, joint exploitation of new products and compensatory trade.

Meanwhile, many east-funded raw material centers and enterprises have sprung up in the western region while many "window enterprises" have been opened by western firms in the coastal areas.

According to experts, the diversity and complementary prospects constitute a co-operation potential to be tapped by both sides, as the west boasts abundant natural resources, including coal, oil and metals, while the east has a strong backing of expertise, finance and technology.

Though backward, the western region has a comprehensive industrial system with some 2,000 key enterprises, a result of government support in the first two decades after the founding of the People's Republic of China.

Above all, since the end of the 1970s, the government called for more assistance to the west by the developed coastal areas, a drive involving 22 provinces and metropolitan areas, some 2 billion yuan worth of funds and over 12,000 projects.

For example, 43 projects have been built in Tibet with assistance from nine eastern provinces and cities. Over 15,000 newly-trained professionals in all industries have scattered throughout the west. And a lot of information and techniques have flowed from the east.

Oroqen Ethnic Minority Members Become Shareholders

OW3110015693 Beijing XINHUA in English 0138
GMT 31 Oct 93

[Text] Huhhot, October 31 (XINHUA)—People of the Oroqen national minority have set up a steel plant operating on the shareholding system.

Yet a few decades ago this least numerous of China's national minorities was still a nomadic tribe living a semi-primitive life in the northeastern mountainous areas of the country.

The total Oroqen population is still only about 6,900.

In line with the extension of the market economy toward the minority nationality regions, people of the Oroqen Autonomous Banner (county) at the southern foot of Da Hinggan Ling mountain in the Inner Mongolia Autonomous Region have also adopted new ideas.

The recently-founded ganhe steel plant has been jointly funded by three sides with total investments of about one million yuan, according to the chief of the autonomous banner.

The steel plant can produce 2,000 tons of steel annually, with a profit of about 400,000 yuan, laying a firm foundation for the further development of Oroqen's rural enterprises as well as providing more work opportunities for local Oroqen people.

The Oroqen autonomous banner has also set up cooperative businesses linked with cities such as Beijing, Tianjin and Daqing and has absorbed a total investment of about 10 million yuan during the past few years.

For today's Oroqen people, the animal hunting and fruit collecting life has become a long past memory. The new market economic system has pushed them into a different stage—a stage full of hope and happiness.

State 'To Bolster' Control of State-Owned Assets

HK3110083093 Beijing CHINA DAILY (BUSINESS WEEKLY) in English 31 Oct 93 p 1

[By Liu Weiling: "State To Bolster Scrutiny Of Assets"]

[Text] China is stepping up its scrutiny of State-owned property to guard against the serious drain of State assets caused by problems such as irresponsible evaluation methods.

A close look is being taken at the appraisal of State assets in Sino-foreign joint ventures and yet-to-be-listed companies, according to an official with the National Administrative Bureau of State-Owned Property.

As well, a national investigation into the loss of State assets was launched last month and is expected to be completed in November.

The major aim of the investigation which was designed to check 100 enterprises and 50 institutions in each province, autonomous region and municipality in the country, is to discover how State assets are being siphoned off. This will help decision-makers work out methods to plug the loopholes.

Meanwhile, the bureau issued a notice recently stipulating that it is the bureau—not its local branches—that has the final say in assets evaluation reports of companies applying to be listed on stock exchanges in China.

"The move is aimed to help prevent possible gimmicks in assessment of State properties in the shareholding companies," said the official.

He said the move is also expected to standardize assessment of State assets and make the companies more responsible to their shareholders.

However, he said the biggest loss of State assets takes place in joint ventures.

Many Chinese partners don't do any appraisal of State assets and only take the book value so as not to aggravate their foreign partners.

Some companies depreciate the actual value of State assets or hinder evaluators work.

The bureau conducted an investigation on the appraisal of State assets in joint ventures in Liaoning, Shandong, Guangdong and Hubei provinces, as well as Shenyang, Guangzhou, Wuhan, Shanghai and Tianjin in April this year.

In these provinces and cities, only 920 among the 5,600 co-operative projects had appraised their State assets in 1992, less than 20 per cent of the total.

In South China's Guangdong Province, where joint ventures have grown like topsy in recent years, only 1.2 percent of the joint ventures did evaluations before establishment.

Meanwhile, some collectively owned companies occupy State-owned properties and take them as their assets.

Such actions have brought about massive losses to the State as the assets are not given their due bonus shares and dividends, a report of the investigation said.

"Many local governments, chasing blindly after foreign investment and having a weak sense of the State's interests, are meddling in the evaluation," the report said.

Some local governments decide presumptuously not to do appraisals or simply refuse to accept the reports made by the appraisal firms.

For example, when a plastic factory planned to sell its State assets to a foreign buyer, an appraisal firm decided the actual value of the assets was 2.67 million yuan (\$460,000) but the local government decided the price would be 1.3 million yuan (\$224,000).

In light of the increasingly severe loss of State assets, the bureau issued a notice last year to impose strict controls in this field.

The notice asked local governments not to interfere in the appraisals.

"The ongoing investigation will discover whether the notice is effective or not," the official said.

Some experts also urged the government to reduce the losses of State assets in shareholding companies.

Some shareholding companies reduce the actual value of State assets in appraisal reports or don't treat State shares equally, for instance by giving them less dividends or no bonus shares. [sentence as published]

However, the official with the bureau said the only way to help China eliminate property loss is defining the property rights of State assets and making clear the responsibility of the managers of the State assets.

3 Gorges Construction To Begin 'Full-Scale' in 1995

HK3110030093 Beijing CHINA DAILY in English 30 Oct 93 p 1

[By staff reporter Liang Chao: "Three Gorges Dam Project Slated for 1995"]

[Text] Full-scale construction of the Three Gorges Dam is expected to begin in 1995, the project's leading official said yesterday.

Guo Shuyan, vice-director of the project, said preparatory work is underway for the huge endeavor on the middle reaches of the Chang Jiang River in Hubei Province.

This work includes clearing the construction site, evacuating residents and raising the necessary funds.

The dam's preliminary design was approved by the central government this July. Since then, Guo said, preparatory work has formally started and is moving according to schedule.

"It will take two years, beginning this year, to finish (the initial work)," Guo said at yesterday's press conference.

Guo said about 1.13 million people in 20 cities and counties in Sichuan and Hubei provinces will have to be resettled to make way for the project.

The government needs to spend 30 billion yuan (\$5.1 billion) at current price on the resettlement programme he said, adding that each relocated citizen will receive 30,000 yuan (\$5,400) in compensation. This is three times the previously reported amount.

Though the massive resettlement is unprecedented in China, Guo said it can be accomplished through coordinated government efforts.

On the issue of ecology, he said that the environment would not be affected by the dam project since the inundated area is only 632 square kilometres—only one per cent of the area of the counties and cities involved.

As China's largest multi-functional hydroelectric power station, the static cost of the project will be 50.1 billion yuan (\$8.8 billion) at the May 1993 price level.

But counting the costs of power transmission and resettlement, the project will reach 95.4 billion yuan (\$16.7 billion), not accounting for inflation, Guo said.

Guo was confident that huge costs of the project would not cause a new wave of inflation in the national economy because it had the strong potential of financing itself.

"Half of the total investment is expected to come from the project's first set of power generators which are scheduled to go into operation by the eleventh year of construction," Guo said.

The entire project is scheduled to be completed in 17 years.

However, fund-raising remains a major issue, especially during the first 11 years which are marked as a pure input period.

Guo also said that during the first 11 years there will be a shortfall of 20.8 billion yuan (\$3.57 billion), 38 per cent of financing needs.

The Three Gorges Project Committee under the State Council is considering raising funds by issuing stocks, domestic and international bonds and absorbing overseas investment.

"For this purpose, wide contacts and in-depth discussions are under way with financial institutions both at home and abroad," Guo said.

He added: "We shall make wide contacts with world famous firms of construction, power generation and transmission equipments to select proper partners and discuss specific ways of joint design and manufacturing.

China also will seek foreign experts to consult on issues such as environmental protection, although Guo said that project studies show the dam will be "environmentally sound."

While moving and rebuilding historical sites flooded in the reservoir areas, some natural reserves and artificial breeding stations will be set up to protect rare species and mitigate the environmental impact of the project, Guo said.

Ministry Reports on 1993 Power Production

OW2910104993 Beijing XINHUA in English 0900
GMT 29 Oct 93

[Text] Beijing, October 29 (XINHUA)—China's power production this year is expected to exceed 810 billion kilowatt-hours (kwh), nine percent more than last year.

According to a Ministry of Power Industry announcement today, the figure has also surpassed the targeted output by 10 billion kwh, in a bid to ease the nationwide thirst for electrical power, a long-standing headache for the rapidly growing economy.

From January to mid-October, 644 billion kwh of electricity were generated, accounting for 80 percent of the planned production this year, the ministry said.

This placed the country's daily electrical output at an average 2.2 billion kwh, equalling a half-year's production in China before 1949, when the Communist Party took power.

With the generating capacity swelling by 10 percent each year in the past few years and now standing at 175 million kilowatts. However, China's per capita share is less than 0.15 kilowatt, a fraction of that in industrialized countries.

The elastic coefficient, a figure measuring the growth of power industry versus that of gross national product, over the past few years has remained well below the 1.2 level, which is considered appropriate.

It was revealed that some 120 million people in China, or 10 percent of the whole population, are now living without electricity. More than 20 counties, out of a total of more than 2,000, have no power supply.

The ministry predicted that pressures on the power supply by the end of this year will be slightly loosened thanks to moderate economic growth after the exercise of macro-controls.

Meanwhile, China's first administrative decree on the management of power grids will go into effect on November 1 this year.

Deputy Power Minister Lu Yanchang said the implementation of the rules marks a major step in leading, standardizing, guaranteeing and binding power production and management on a legal basis.

The decree, approved by the state council earlier this year, consists of eight chapters with 33 articles to regulate the management system, planning, rules and instructions for the power grids.

The principle of "fairness" features high in the decree—each party involved has the right to share, and the obligation to safeguard, the interest of power grids, Lu added.

"The fundamental objective of the power industry is to provide the whole community with reliable, sufficient and high-quality electricity," which lays great importance on the management of power grids, the vice minister said.

Since 1970, China's power shortage has become a bottleneck for the country's economic growth. In order to promote the efficiency of power industry, larger grids and even a national network are a requisite.

There are now five grids connecting China's industrial areas. By early next century, a network covering 22, probably 24 provinces, municipalities, autonomous regions and special economic zones is expected to come into being.

Lu said the decree, after implementation, will render better power service to foreign-invested interests in China and thus help improve China's investment environment.

Those rules are legally binding for power producers, distributors, consumers and related parties in the People's Republic of China.

He said the Power Ministry, as an administrative organ under the State Council, will coordinate their implementation "in a fair and just manner."

He also welcomed supervision by the media and the society as a whole.

Power Construction Situation 'Serious'

HK3110040993 Beijing ZHONGGUO XINWEN SHE
in English 0501 GMT 30 Oct 93

[Text] Beijing, October 30 (CNS)—The serious situation regarding power construction in China is growing increasingly worse with the tense condition of power supply further deepening and power items under construction shrinking.

Since the implementation of reform and opening to the outside world, especially since 1982, China has advanced greatly in its electricity construction with installed power capacity nationwide exceeding 170 million kilowatts, ranking the country fourth in the world. Such growth, however, still cannot meet the needs of the rapid growth of the national economy. The per capita volume of installed power capacity in the country at present is only .14 kilowatts and the per capita annual power consumption is 644 kilowatts, a mere 30.5 percent of the world's average of 2,112 kilowatts. [figures as received] In addition, the equipment for power generation is not in proportion to that of power consumption, remaining at 1 to 2.5 for a long time. The inevitable result of the capacity of the power-generation equipment being lower than that of power-consumption equipment is a power shortage. In the first half of this year, owing to the shortage of power, the number of power cuts in

the Beijing—Tianjin—Tangshan area was 88,700 times, 68.7 percent up over the same period last year. The number of power cuts in Hebei Province increased by 12.3 percent and in Jiangsu Province by 5.2 times.

According to experts, in order to ease the tense power supply situation, the efficiency of power consumption must be raised while the installed power capacity must be expanded through speeding up power construction. The present power construction in the country does not present a bright picture. According to statistics, the installed power capacity under construction nationwide, including what is already completed but not yet in operation, is a mere 51,277 million kilowatts. Subtracting the capacity which will go into operation this year and next year, the scale of capacity under construction is only 40 million kilowatts. Allowing for 14 million kilowatts of generating units going into operation in 1992, the proportion of generating units going into operation to those under construction is less than 1 to 3, the lowest in recent years. The shrinking in the number of generating units under construction will assuredly affect power production in the coming years.

Daily: Oil Firm Increases Production Capacity

OW2610072393 Beijing XINHUA in English 0656
GMT 26 Oct 93

[Text] Beijing, October 26 (XINHUA)—The Nanhai Xibu Oil Company, the first such firm open to overseas investors, has increased its annual production capacity from 300,000 million tons to 1 million tons of crude oil, the leading national newspaper, "PEOPLE'S DAILY" [RENMIN RIBAO], reported today.

The company, which mainly operates in the western part of the South China Sea, has kept to a development principle of self-reliance while seeking overseas cooperation.

Its Wei 11-4 oilfield which was developed and managed solely by the company was put into operation on October 16.

The oilfield was discovered in 1979. Since then, the company has actively used foreign funds and imported advanced technology.

It has signed 21 contracts with 26 foreign counterparts from 10 countries, and imported 956 million U.S. dollars.

Up to now, it has drilled 72 wells and discovered six oilfields.

One of the oilfields jointly developed with the Atlantic Richfield Company (ARCO) of the United States is scheduled to be operational in 1996 with annual production of natural gas of 3.45 billion cubic meters.

By the end of last year, the company had invested a total of 1.54 billion U.S. dollars in the region.

The total output of the company is expected to increase to 2 million tons in 1998.

It also plans to produce 21 billion cubic meters of natural gas by the year 2007 in the western part of the South China Sea.

Technology Aids Development of 'Giant' Oil Field*OW2710091693 Beijing XINHUA in English 0642
GMT 27 Oct 93*

[Text] Shenyang, October 27 (XINHUA)—A giant oil field, which produces more than ten million tons of crude oil yearly, has been created in China, thanks to the use of new high technology.

According to a top official in charge of technology at the Liaohe Oil Field, China has spent less than 20 years to build the oil field, which produces 14 million tons of crude oil a year, next to the Daqing and Shengli Oil Fields, two of the biggest oil producers in China.

However, it was more difficult to explore and tap the new oil field due to the complexity of the type, distribution and location of the oil deposit.

To ease the problem of exploration, the oil field imported advanced technology for seismology, oil detection and oil testing. As a result, the probed oil reserve has been increased by at least 100 million tons yearly over the past few years.

The drilling speed was also doubled by using powerful diesel engines and pumps, high-pressure ejection and optimum drilling methods.

The thick oil exploration has also been updated in recent years, and the thick oil output greatly increased.

The oil field produced over 3 million tons of high condensate yearly now.

It was given a state "advanced enterprise" award in 1991.

Ministry Warns Electronics Industry Investors*OW3010140293 Beijing XINHUA in English 1331
GMT 30 Oct 93*

[Text] Beijing, October 30 (XINHUA)—The Ministry of the Electronics Industry warned investors today to stop putting money into color TV sets and other sectors with output capacity obviously exceeding market demand.

At a press conference Wu Xiaolong, director of the overall planning department of the ministry, said, "these directions are based on the demands of national economic development, the market conditions for electronic products and related state regulations."

Wu said the output capacity of color TV sets, color kinescopes, digital program-controlled switchboards, video-recorders and parts, video cameras, electronic telephone sets and some other products have all exceeded market demand. Therefore, no more construction projects in these fields should be ratified.

So far China's color TV industry has an assembly capacity of some 20 million sets annually. In the past few years the actual output was about 10 million sets annually, he added.

The state has set up the China Hualu Co. Ltd. to monopolize the production of video-recorders, with whole sets of technologies and equipment introduced from Japan. In 1994 the company will be capable of producing 1.5 million sets of

video-recorder cores and magnetic drums, and when the second-stage project is finished, the output capacity will reach three million sets.

The directions also suggest some electronics fields for special development, which include electronic information systems, computer software, industrial and consumer electronic products, as well as electronic products which have good market prospects and economic efficiency, and are capable of entering the international market.

According to the directions, micro computers, facsimile printers, mobile telecommunications equipment, optical fiber communications and some other products are technology-intensive and need high investment. As a result, although there is a certain degree of market demand, new projects in these fields should be carefully examined and ratified according to the state's related regulations, Wu said.

Radio, TV Financial Management Meeting Closes*HK3110014493 Changsha Hunan People's Radio
Network in Mandarin 2300 GMT 22 Oct 93*

[Text] The National Radio and Television Financial Management Work Conference ended in Changsha yesterday [22 October]. At yesterday's closing ceremony, Vice Finance Minister Liu Jibin made a summary speech. Hunan Vice Governor Zhen Xuemin delivered a speech. Xu Qiuhua, former minister of radio and television; Yang Mingzhi, standing committee member of the Hunan CPC Committee and chairman of the Hunan Discipline Inspection Commission; Zhuo Kangning, vice chairman of the provincial committee of the Chinese People's Political Consultative Conference; and Wen Xuande, director of the Hunan Propaganda Department; attended the conference.

He Dongcai, vice minister of radio, film, and television, presided over the conference. Vice Minister Liu Jibin said the conference was a success. On the question of offering financial support for radio and television work, Liu Jibin said: The financial departments are duty-bound to support and promote radio and television undertakings. Comrade Liu also discussed fund-raising through various channels, levels, and forms to develop radio and television undertakings and develop diversified businesses. He called for comprehensive management over finance, enhancing financial management, building the ranks of financial workers, and diverting funds to rural and poor remote areas.

At yesterday's closing ceremony, He Dongcai, vice minister of radio, film, and television, read the decision of the Ministry of Radio, Film, and Television and Ministry of Finance, commending the advanced units and individuals in the fields of radio and television management.

A total of 30 advanced units from financial departments, 64 advanced units from radio and television financial departments, and 44 advanced individuals were commended and rewarded.

Electronics Industry Output 'Up 22.4 Percent'

OW3010111293 Beijing XINHUA in English 1003
GMT 30 Oct 93

[Text] Beijing, October 30 (XINHUA)—China's electronics industry has maintained a steady increase this year. From January to September, the industry finished with a total output value of 96.6 billion yuan, up 22.4 percent over the same period last year.

Wu Xiaolong, director of the overall planning department of the Ministry of Electronics Industry, said today that electronics products have enjoyed a fairly good market as well. By the end of September the industry had racked up a total sales income of 69.43 billion yuan, up 41.3 percent from the same period last year.

Wu said that, if the electronics industry maintains the present growth rate, this year's total output value will reach 130 billion yuan, an increase of 20 percent over last year.

He said the output of electronics products for consumer purposes has been quite stable. By the end of September the output of color TV sets had accumulated to 9.6 million, down 0.66 percent from the same period last year; the output of video recorders was 753,000, up 86.8 percent; and the output of black and white tv sets was 7.96 million.

The electronics industry developed better in coastal provinces, the newly increased output value of Tianjin, Jiangsu, Zhejiang, Fujian, Shandong and Guangdong constituting 62.6 percent of the country's total newly increased output value in the industry. Shandong Province tops all provinces and cities with its output value in the electronics industry jumping by 64 percent.

China Becomes 'Major' Electrical Appliance Maker

OW3010152593 Beijing XINHUA in English 1330
GMT 30 Oct 93

[Text] Beijing, October 30 (XINHUA)—Rapid economic growth and a steady rise in living standards since 1980 have enabled China to become one of the world's major electrical appliance producers.

An official of the China Light Industry Council said the country's production of refrigerators, washing machines, air-conditioners, electric fans and electric cookers has risen steeply since 1980.

Government statistics show that during the 1980-1992 period the production of refrigerators soared to 6.23 million units from 49,000; that of washing machines shot up to 7.13 million units from 245,300; that of air-conditioners rose to 1.52 million units from 13,200; that of electric fans climbed to 62.89 million units from 7.23 million; and that of electric cookers surged to 11.31 million units from 5.1 million.

The official said that during that period China introduced about 100 production lines for making refrigerators, washing machines and other electrical appliances, as well as for making major spare parts for these appliances.

As a result, these appliances have been becoming increasingly popular in both urban and rural areas, he said.

Market surveys show that at the end of 1992 every 100 urban households owned 53 refrigerators, 83 washing machines and 146 electric fans—up from four, 36 and 64, respectively, in 1985.

The official said that electrical appliance manufacturers are trying to turn out more and better products while expanding exports.

Exports of Chinese-made electrical appliances shot up to 473 million U.S. dollars-worth in 1992 from 40.82 million dollars-worth in 1980. Exports of refrigerators amounted to 28.79 million dollars-worth and those of electric fans to 324.5 million dollars-worth in 1992.

Also in 1992, 24 manufacturers exported at least five million dollars-worth of electrical appliances, while 37 manufacturers were permitted to directly handle imports and exports.

'Longest' Highway Tunnel Opens in Sichuan

OW2810090393 Beijing XINHUA in English 0836
GMT 28 Oct 93

[Text] Chongqing, October 28 (XINHUA)—China's longest highway tunnel opened to traffic in southwest China's Sichuan Province today.

Boring 6,268 meters through the Zhongliang Mountain near Chongqing City, a large industrial center in southwest China, the two-way and four-lane tunnel is a key junction on a highway between the city and Chengdu, capital of the province, technicians here noted.

The project began in June 1990, when the fifth engineering bureau of the Ministry of Railways won the bid for the work.

The World Bank has issued a loan of 140 million yuan (24 million U.S. dollars) for the tunnel project.

Engineers from China and foreign countries have cooperated on the project.

The Chengdu-Chongqing Highway is planned to go into operation by the end of 1995, shortening the driving distance between two cities by 165 km.

Government Issues Circular on Vehicle Licensing

HK2910063093 Beijing ZHONGGUO XINWEN SHE
in Chinese 1235 GMT 22 Oct 93

[Text] Beijing, 22 Oct (ZHONGGUO XINWEN SHE)—The Ministry of Public Security, the General Administration of Customs, and the State Administration for Industry and Commerce jointly issued a circular a few days ago to relevant departments requiring them to improve procedures for awarding licenses for imported cars and motorcycles.

The circular states: Before granting licenses for imported cars and motorcycles, public security organs and traffic control departments must first examine the import certificates issued by customs. No licenses shall be given to imported vehicles without import certificates.

The circular requires public security organs, customs, and administrations for industry and commerce to conscientiously investigate and act on cases of smuggled cars and motorcycles and to confiscate all smuggled vehicles and vehicles without import certificates. Public security organs, customs, and administrations of industry and commerce at the prefectural and city level and above should confiscate vehicles according to legal procedures, issue signed unified certificates for them, and deliver them together with their certificates to imported cars trade centers for sale. Public security organs and traffic control departments should grant licenses after they have been shown valid invoices issued by sales departments and certificates for confiscated vehicles.

The circular calls on all departments concerned to perform their own duties well and cooperate with each other to improve work in the issuance of licenses for imported cars and motorcycles. Cadres from all departments should strictly enforce state laws and regulations. Those cadres who bend the law for the benefit of their relatives or friends or who are involved in smuggling must be severely punished according to law.

Seaborne Transport Sector Faces Cost Pressures

HK3110040893 Beijing ZHONGGUO XINWEN SHE
in English 0458 GMT 30 Oct 93

[Text] Beijing, October 30 (CNS)—A number of difficulties now face China's sea passenger transportation including greatly increased costs, high ship-building costs and inability of enterprises to purchase new ships.

According to information from the State Planning Commission, there are no direct rail links at present among most of the country's coastal cities and ships have played an important role in alleviating the pressures facing land transport, offering convenient, comfortable and cheap advantages. By the end of the 1980s, a total of 96 coastal routes had been developed with 206 passenger vessels and 85,000 seats, handling 20.60 million people annually.

In the past couple of years, however, sea transport costs have continuously increased while fares have not grown accordingly. The sharp increase in the prices of fuel and maintenance materials make up 50 percent of operational costs, resulting in losses for the enterprises and an inability to renew their vessels and creating difficulties for passengers on a number of the more popular routes. Contradictions between the transport volume and capability have grown more noticeable, and if this continues there will be increasingly fewer ships and a drop in routes and finally a dying out of coastal passenger shipping.

In a bid to save sea passenger transportation, experts have suggested speeding up the pace of moving sea transportation towards the market economy and gradually open charges to market forces, leading to fares being adjusted. A policy of giving special support and low interest loans by the state should be adopted to speed up the renewal of passenger ships and an increase in their number.

Report on 'Efficient' Railway Construction

OW2910140493 Beijing XINHUA in English 1343
GMT 29 Oct 93

[Text] Nanchang, October 29 (XINHUA)—Pressed by the high speed of economic development, China's railway construction has been quick and efficient since the beginning of the year.

Sun Yongfu, deputy minister of railways, said that by the end of September, 12.63 billion yuan (2.176 billion U.S. dollars), 3.47 times the investment of the same period of last year, had been utilized in 53 big and medium-sized railway projects.

The Beijing-Kowloon Railway, the longest north-south railway in the country, has soaked up 5.37 billion yuan (925 million U.S. dollars), 83.6 percent of the total planned funds, according to the official.

He said construction on all sections of the railway, which runs parallel to the Beijing-Guangzhou Railway, is accelerating.

In China's economically less developed northwest, the official said, 269.4 km Lanzhou-Urumqi Railway has been double-tracked.

Meanwhile, work on a railway to transport coal from coal-rich Shanxi Province in north China to the eastern regions, a new railway and an electrified project straddling economically-developed Zhejiang and Fujian Provinces, and less developed Jiangxi Province, is in full swing, he said.

In Beijing, he said, workers are working day and night on a major new station, the west Beijing Railway Station, to ease congestion on Beijing's main railway station.

'Largest' Bank Computer System Begins Operations

OW2910113393 Beijing XINHUA in English 1025
GMT 29 Oct 93

[Text] Shanghai, October 29 (XINHUA)—The largest and most advanced banking computer system in China was recently put into operation at the Shanghai branch of the Bank of Industry and Commerce of China.

It was installed within a year.

The host computer consists of two processors, which were produced by the IBM Company, and has a built-in capacity of 256 MB [megabytes]. The tapes and their sub-systems, which have a storage capacity of 136 GB [gigabytes], are also made by well-known international producers.

The storage capacity of the system is about ten times that of the old one. High-speed optical fibers are used as channels between computation centers, the first case in China.

The Shanghai branch of the Bank of Industry and Commerce will take advantage of the system to speed up the development and improvement of banking services in Shanghai, Shen Ruolei, head of the branch said.

Shen said that the system would speed up the development of an automatic teller network in the city.

According to Shen, Shanghai will be equipped with 170 automatic teller machines by the end of this year and 300 within two years.

More self-service banking and telebanking services will be available with the aid of the system.

Monetary sales terminals will be set up in more major department stores.

Computerized trade at security markets will also be promoted.

Shen said that another modernized computation center will be set up in the Waigaoqiao Bonded Zone in Pudong area, the second largest development area in China.

Urban Cost of Living Increases 18.9 Percent

HK2910124093 Hong Kong ZHONGGUO TONGXUN
SHE in English 1021 GMT 29 Oct 93

[Text] Beijing, October 29 (CNS)—According to the State Statistical Bureau, in the first nine months of this year, the cost of living for residents in China's medium- and large-sized cities increased by 18.9 percent, the highest in recent times.

Service items including rent, running water, electricity and transport saw the highest rises in cost with their growth reaching 39.3 percent. Food prices also increased by 18.1 percent with a 15.8 percent growth in the prices of meat, poultry and eggs, mainly a result of a 33.7 percent rise in grain prices.

Among these cities, Nanning, capital of the Guangxi Zhuang Autonomous Region saw its cost of living increase by 25 percentage points, ranking it first, followed by Ningbo in Zhejiang Province, Guangzhou, capital of Guangdong Province, and Beijing. Tianjin ranked last with a growth of 15.6 percentage points.

Commentator Urges Developing Rural Finance

HK3110030493 Beijing RENMIN RIBAO in Chinese
23 Oct 93 p 2

[Commentator's article: "Much Can Be Achieved in Rural Financial Work"]

[Text] The establishment of financial authorities at the township level was put forward in the "Notice on Separating Government Administration From Commune Management and Establishing Government at the Township Level," which was promulgated by the CPC Central Committee and the State Council in October 1983. After 10 years of arduous endeavor, township and town financial organs have grown out of nothing, and from small to large, with rapid development and fruitful results.

The abolition of the people's commune structure, which integrated government administration with commune management, and the establishment of township and town governments are a drastic change in rural political and economic structures. As the political power at the lowest, grass-roots level in China, township and town governments are shouldering onerous responsibilities for rural economic

and social development. The establishment of township and town financial authorities and the assumption of responsibilities for financial affairs by township and town governments have changed the abnormal condition in which "there were five levels of political power, but four levels of financial authority," which existed for a long time in the past, thus bringing about the integration of political power, administrative power, and financial power in townships and towns. As township and town governments are able to exercise their functions more effectively, grass-roots political power can be further solidified. The revenues of township and town financial organs are derived from the material wealth created through the labor of peasants, so they must be used to develop the rural economy and various undertakings. This has reflected the nature of the socialist finance, which is: From the people, and to the people. Over the past 10 years, township and town financial authorities have vigorously supported rural economic and social development. Being the lowest, grass-roots level of financial authority, township and town financial organs have become a major part and parcel of China's financial system, and have ensured the implementation of the state's policies in finance and taxation.

Along with the rural economic and social development, the building of the township and town financial authorities should be further strengthened. At the same time, they are faced with new conditions and problems. Particularly in light of the requirements of establishing a socialist market economic structure, it is necessary to further the reforms of China's financial and taxation structures. The building of township and town financial authorities should be adapted to the new situation of financial and tax reforms, and the relations between themselves and the governments concerning reforms in the areas of financial structure, taxation system, accounting rules, financial system, administrative structure, and so on should be handled properly, so as to contribute to the building of township and town financial authorities. Meanwhile, township and town financial authorities also should be adapted to the new situation of rural reforms, and the distribution relations among the state, collectives, and individuals must be handled correctly, so as to provide reform with the necessary financial support.

Financial conditions hinge on the economy. Township and town financial strength is inseparable from rural economic development. In reviewing the last 10 years, wherever financial revenues grew rapidly, the township and town enterprises and agricultural production there also developed at a high speed. Therefore, the building of township and town financial authorities must have economic development in mind, funds must be used in a scientific and sensible way, further support must be afforded to township and town enterprises and agricultural production, and sources of taxes must be opened up and fostered. In the meantime, it is necessary to conscientiously reduce the burdens on peasants and to standardize various income and expenditure items in rural areas so as to check the practices of arbitrary levies and apportioning.

There are more than 240,000 cadres, staff, and workers working in township and town financial organs. These

financial personnel are cadres taking charge of fund management and use, so building the ranks of township and town financial personnel is of vital importance. They should develop the spirit of pioneering a cause through hard work, further enhance their political and professional standards, and manage and use funds properly and frugally in the interests of the people.

China's rural areas boast a large population, as well as a vast field for economic and social development, where much can be accomplished in the work of building the financial authorities in townships and towns.

Article Cites Growth of Rural Financial Organs

*HK3110030393 Beijing RENMIN RIBAO in Chinese
23 Oct 93 p 2*

[Report by Meng Chun (1322 2504) and Fu Dali (0265 1129 0448): "China's Rural Financial Strength Increases; Last Year's Total Rural Revenues Amount to 66 Billion Yuan"]

[Text] Beijing, 22 Oct (RENMIN RIBAO)—The strength of the financial authorities in townships and towns, which are the lowest grass-roots level of China's financial system, has been substantially augmented after 10 years of development. In 1992, the total financial revenues in townships and towns throughout the country reached 66 billion yuan, of which the revenues within the budget were 47.2 billion yuan, representing 45 percent of the financial revenues at township and town levels. The township and town governments took up responsibility for managing their financial affairs, tapped new sources for income, and economized on expenditures, thus bringing about rural economic and social development.

Following the abolition of the structure integrating government administration with commune management and the establishment of rural township and town governments, China began to set up financial organs at the township and town levels. From 1983 to the end of last year, a total of 46,653 township and town financial offices had been established in the country, accounting for 96.1 percent of the total number of townships and towns across the country, and 9,738 rural treasuries had been established, accounting for 21 percent of the total number of financial offices nationwide. Personnel totalling 247,000 have been assigned to work in these township and town financial organs, accounting for 56 percent of the total number of staff and workers in the financial departments and their affiliated units throughout the country.

The establishment of township and town financial authorities has changed the abnormal condition in which "there were five levels of political power, but four levels of financial authority," which existed for a long time in the past. As a result, political power has been brought into line with the business administrative power and financial power, thereby considerably arousing the initiative of township and town governments in managing their financial affairs, broadening sources of income, and reducing expenditures, while ensuring the fulfillment of the state's tasks for budgetary revenues.

In the course of rapid revenue growth in rural areas, a large number of townships and towns with revenues from 1 million yuan up to 10 million yuan have emerged in China. As shown in the 1992 final accounts of income and expenditure regarding townships and towns across the country, 12,958 of them had financial revenue that exceeded 1 million yuan, representing 26.7 percent of the total number of townships and towns nationwide, and there were 438 with financial revenues exceeding 10 million yuan. Among the latter, the city of Shunde in Guangdong Province was the highest, with its budgetary financial revenues reaching 103 million yuan.

Since the establishment of township and town financial organs, priority always has been given to developing production and tapping sources of income. Funds used to develop agricultural production and foster township and town enterprises in 1992 totalled 4.85 and 4.87 billion yuan respectively, and nearly 730,000 enterprises were supported. In the meantime, energetic support also has been given to the development of various undertakings. Funds used by township and town financial authorities in various undertakings in 1992—including science, education, culture, and public health—reached 23.22 billion yuan, representing 44 percent of the total expenditure of township and town financial organs.

Although township and town governments were the local political powers before the establishment of rural financial authorities, they had no relevant financial authority and could not very well display the functions of grass-roots political power. Since the township and town financial organs were established and administrative power was integrated with financial authority, they have been able to carry out overall planning for various rural finance funds, and to use these to boost the development of economic and various social undertakings. In this way, township and town governments have the necessary financial resources to exercise their political as well as economic functions, which have accelerated and intensified the building of rural political power at the grass-roots level.

Crop Cultivation Sees 'Comparatively Big Change'

*HK3010044293 Beijing ZHONGGUO XINWEN SHE
in English 0314 GMT 30 Oct 93*

[Text] Beijing, October 30 (CNS)—The structuring of China's crop cultivation has undergone a comparatively big change this year. According to primary statistics by statistical bureaus in 30 provinces, autonomous regions and municipalities in the country, the farm land area under cultivation this year is 148 million hectares (2.216 million mu), a drop of 1.28 million hectares or 0.9 percent over last year.

Of the readjusted area, that for grain crops was reduced by 480,000 hectares or 0.4 percent, that for economic crops by 1.64 million hectares or 6.8 percent and that for other crops was increased by 840,000 hectares or 5.9 percent.

Of the proportions of various crops under cultivation, grain crops increased to 74.5 percent or by 0.3 percent from last year's 74.2 percent, economic crops dropped from 16.3

percent to 15.3 percent or by one percentage point while other crops increased from 9.5 percent to 10.2 percent or by 0.6 percentage points.

Referring to crop varieties, the three main crops of rice, wheat and corn dropped by a comparatively big margin in terms of their cultivation area, while soybean and other food grain crops other than rice and wheat increased. In the South China area, the land area under grain crop cultivation was reduced by a comparatively big margin while in the grain-producing provinces in North China, the area increased greatly.

The land area under economic crop cultivation which had expanded for three consecutive years started being reduced this year. Compared with that of last year, the growth of its reduction was 6.8 percent that under cotton, edible oils and sugar cultivation was also reduced to varying degrees and that under tobacco cultivation was about the same as for last year. But the land area under vegetable, melon and green fertilizer cultivation increased.

Scientist Cultivates 'High Oil-Bearing Corn'

OW2810110693 Beijing XINHUA in English 1028 GMT 28 Oct 93

[Text] Beijing, October 28 (XINHUA)—A Chinese scientist has successfully cultivated a new hybrid of high oil-bearing corn, which also contains a high calorie and protein concentration.

The new hybrid, developed by Professor Song Tongming from Beijing Agricultural University, has proved highly profitable following initial experiments in Inner Mongolia Autonomous Region and east China's Jiangsu Province.

Test results show that each hectare of land can produce some 7,500 kilograms of the corn, enough to make 750 kilograms of oil. The corn stalks can make 37,500 kilograms of greenfeed for domestic animals. All three yields were much higher than for other strains of the crop.

Listed as one of the national key technology promotion projects, the high oil-bearing corn is also resistant to major corn diseases.

Supply of Edible Oil Falls Short of Demand

HK3110040793 Beijing ZHONGGUO XINWEN SHE in English 0459 GMT 30 Oct 93

[Text] Beijing, October 30 (CNS)—In China this year, the supply of edible oils is failing to meet the demand, thus raising the price.

In 1992, the oil output of oil-bearing crops reached 5.4 billion kilograms, a decrease of 11 percent over the previous year. This year, the total oil output has continued to drop with the output from summer oil crops decreasing by 23 percent over last year. Such a rate of decrease had rarely been seen in recent years. The output for autumn oil crops has also not been good. Because of the drought in northern China, the peanut harvest has also been bad.

Cotton Prices To Increase as Production Decreases

HK3110040593 Beijing ZHONGGUO XINWEN SHE in English 0459 GMT 30 Oct 93

[Text] Beijing, October 30 (CNS)—The area under cotton cultivation this year in China has decreased and added to the comparatively serious natural disasters which hit the country, it is predicted that the output of cotton will be down to considerable extent. [sentence as received]

In a bid to meet the basic demands of the textile industry and the market supply, the State Council recently issued a circular calling for an increase in the price of cotton. Starting from this year, the standard price for cotton per 50 kilograms will rise from RMB [renminbi] 300 to RMB 330. The price plus additional costs imposed by various places will be cancelled. [sentence as received] From 1994, discount loans to support cotton production will no longer be issued. The circular stipulates that cotton falling within the state plan will have a single purchase price. Until the state's purchase of cotton is fulfilled, cotton may not be opened to the market. Entities or individuals without authorized power will not be allowed to engage in cotton trading.

East Region

Jiangsu Modernizes Telecommunications System

OW0111035193 Beijing XINHUA in English 0321
GMT 1 Nov 93

[Text] Nanjing, November 1 (XINHUA)—East China's Jiangsu Province reported the completion of a local digital transmission telecommunications system.

With 8,000 automatic telephone lines going into operation in Lianshui and Sihong counties yesterday morning, all the 75 counties and cities in the province have been connected with program-controlled telephones.

Since the mid-1980s the provincial posts and telecommunications department has solicited foreign governmental loans totaling 200 million U.S. dollars from Sweden, Norway, Spain, Belgium and Japan to import local automatic exchanges totalling one million lines as well as long-distance exchanges totalling 30,000 lines.

The first two years of the Eighth Five-Year Plan period (1991-1995) saw the province pour 1.8 billion yuan into posts and telecommunications facilities, and the investment is expected to reach 2.5 billion yuan this year.

So far, the province's telephone exchange capacity has surpassed 2.2 million lines, of which 1.75 million lines are program controlled.

In addition, Jiangsu has opened up optical cables extending from Nanjing, capital of the province, to Wuhan, capital of Hubei Province, to Beijing and to Shanghai.

A digital microwave transmission line between Beijing and Shanghai goes via Nanjing.

According to a local official, international direct dialing service is available connecting 18 counties and cities in Jiangsu.

In addition, a package of telecommunications services has been initiated, including mobile telephones, pagers, video telephones, facsimile and data information, electronic mail.

A survey report shows that by the end of September this year the province had 918,800 long-distance direct dialing lines, 255,000 pagers, 19,400 walkie-talkies and over 530,000 household telephones.

At present there are 1,167,000 telephones in the province.

Jiangxi Peasants' Incomes Rise

HK3110051093 Nanchang Jiangxi People's Radio
Network in Mandarin 1100 GMT 29 Oct 93

[Text] The per capita real cash income of the peasants in Jiangxi increased in the first three quarters. The growth in eight prefectures and cities exceeded 20 percent, of which the figure in Jingdezhen and Xinyi rose over 30 percent. Figures provided by the Provincial Statistics Bureau show that there are the following reasons for the rise in Jiangxi peasants' incomes:

First, further commodity economic development in the rural areas, unclogged circulation for farm produce, and rise in the prices of farm produce. The prices of animal by-products particularly increased at a fast rate. Second, the collective economy continued to expand and incomes of township enterprises increased rapidly. Third, the secondary and tertiary industries developed swiftly and incomes from labor services increased remarkably.

Shandong Sentences Train Bandits to Death

SK0211101893 Jinan Shandong People's Radio
Network in Mandarin 2300 GMT 1 Nov 93

[Text] On 1 November, a trial on an appalling case of passenger train robbery was tried by the Jinan railway transportation intermediate court and seven convicts were sentenced to death, life imprisonment, and term imprisonment.

The seven convicts, including (Wu Fenglong), (Tang Shaoyu), and (Wu Huaiwu), were unemployed peasants of Anhui Province. On 13 May 1993, they boarded the No. 322 passenger train and engaged in looting activities among the passengers. That evening, they boarded the No. 252 passenger train and again plundered passengers. During their looting operation, more than 70 passengers were robbed and threatened with beating. They snatched 450 yuan of cash. Early on the morning of 14 May, these criminals were captured in a hotel.

Shanghai Boasts Foreign Language Center

OW0111164793 Beijing XINHUA in English 1501
GMT 1 Nov 93

[Quotation marks as received]

[Text] Shanghai, November 1st (XINHUA)—A "foreign language corner" consisting mainly of shop assistants from Shanghai's top department store has recently appeared on downtown Shanghai's Nanjing Road.

These foreign-language learners gather regularly and talk freely in either English or Japanese. Their speaking ability is highly praised by foreign visitors.

Miss Allison Margolies from Chicago, engaged in the English Education Center of Fudan University, has been invited to direct the corner's activities together with a few distinguished domestic translators and experts.

The corner will at first focus on open conversation. Such activities as conducting lectures, debates and discussions in foreign languages will be incorporated gradually, according to Miss Margolies.

Shanghai's number one department store, among the country's largest shopping centers, has ranked first in sales for eight successive years over major shopping centers throughout the country.

Among its staff of more than 3,000, hundreds are college graduates fond of learning foreign languages.

Shifting to the market economy has placed higher demands on the working staff and the establishment of the corner

aims to provide them with opportunities to improve their command of foreign languages, according to the general manager of the department store.

The appearance of the foreign language corner in the shopping center vividly reflects the wishes of Shanghai people to know about the outside world through more direct channels.

According to reliable statistics, more than 100,000 Shanghai residents are able to get the latest world information through the medium of foreign languages.

Radio and TV stations deliver news and other programs in foreign languages for several hours every day.

The number of Shanghai subscribers to such world-famous newspapers as "THE NEW YORK TIMES" and "LE FIGARO" now exceeds one thousand.

China's foreign language newspapers like 'CHINA DAILY' and 'BEIJING WEEKEND' also boast tens of thousands of readers in Shanghai.

Shanghai Official on Journalists' Work Ethics

OW0211111593 Shanghai People's Radio Network in Mandarin 2300 GMT 28 Oct 93

[From the "Morning News" program]

[Text] The Propaganda Department of the Shanghai Municipal CPC Committee held a meeting on exchanging experience in promoting work ethics among journalists and banning newswriting for illicit payment in the Education Hall on the afternoon of 28 October. Jin Binghua, member of the standing committee and director of the propaganda department of the municipal party committee, attended and addressed the meeting. In his speech, he fully affirmed the achievements made by Shanghai's media in banning newswriting for illicit payment and in strengthening the journalistic force.

He pointed out: To ban newswriting for illicit payment is a long-term task of the press circles. The media should further improve its internal system and create a mechanism for encouraging work ethics. Journalists should temper themselves during the course of practice and continue to do a good job in publicizing and reporting the building of the two civilizations.

The meeting issued China journalism awards, Shanghai journalism awards, and East Asian Games journalism awards. The Shanghai radio station won awards for 11 of its reports. The serial reports [title indistinct] made by its reporter Yuan Hui won a first-class award of the Second Shanghai Journalism Award. The special radio report on sports and the report "Glory of East Asian Games," both prepared collectively by the reporters of the Shanghai radio station, won first-class awards of the East Asian Games Journalism Award.

Bank in Shanghai Supports Civil Aviation

OW2810022993 Beijing XINHUA in English 0212 GMT 28 Oct 93

[Text] Shanghai, October 28 (XINHUA)—The Shanghai branch of the People's Construction Bank of China today loaned 90 million yuan (about 15.6 million U.S. dollars) to Shanghai's civil aviation industry for the construction of new parking aprons and related facilities.

According to official statistics, in less than two years the branch has loaned 210 million yuan (about 37 million U.S. dollars) to support the development of Shanghai's civil aviation industry. Those projects included an extension of airport lounges in the Shanghai Hongqiao International Airport.

As an indirect result, the number of passengers transported via the Hongqiao Airport is now 11 times more than ten years ago, according to Du Chuncai, general manager of the airport.

Central-South Region

Guangdong Receives Aid From Overseas 'Compatriots'

OW2810131193 Beijing XINHUA in English 1230 GMT 28 Oct 93

[Text] Guangzhou, October 28 (XINHUA)—Overseas Chinese in south China's Guangdong Province have constituted one of the major forces in economic development.

As one of the largest home provinces for Overseas Chinese, Guangdong has more than 20 million compatriots overseas, accounting for more than 70 percent of Overseas Chinese in other countries and areas in the world.

The major assistance from the Overseas Chinese to Guangdong's economic development is their investment in economic construction.

Of the overseas funds of 18 billion U.S. dollars introduced into Guangdong by the end of last year, over 70 percent came from Overseas Chinese.

In 14 cities, including Guangzhou, Shenzhen, Yangjiang and Qingyuan, the overseas-funded projects in 1992 totalled 893, with contracted funds of 5.1 billion U.S. dollars.

Many of the Overseas Chinese have donated to public services in the province. By the end of last year, the Overseas Chinese had donated nine billion yuan for building up 1,353 hospital rooms, 15,000 classrooms, 470,000 square meters of floor-space in kindergartens, 360,000 square meters of floor-space in cinemas and libraries as well as construction of 15,566 kilometers of highways, 3,381 bridges, and hydro-power facilities.

Last year the province issued the "regulations on protection of the rights and interests of overseas Chinese" and by June this year, the province had returned 4.6 million square meters of housing to Overseas Chinese owners in urban areas and 1,680 square meters in rural areas.

Beginning from last spring fair, all the domestic firms with foreign trade rights and membership in relevant chambers of commerce can apply for participation in the fair. [sentence as published]

A total of 45 domestic trade delegations headed by the local provincial and municipal commissions of foreign economic relations and trade have replaced the former domestic trade groups organized by national import and export corporations.

In addition to expansion of sales, the domestic trade delegations come to the fair to seek opportunities for imports, investment, technological transfer and international co-operation.

And now foreign companies are participating in the fair using joint ventures and foreign-funded firms in China. They even send a China National Foreign Investment Chamber trade delegation to the fair. They are looking for more business opportunities in the vast Chinese market.

The organizing work of the fair will be transferred to the Chinese Foreign Trade Centre (Group) in the next few years. Currently the fair is jointly organized by the Ministry of Foreign Trade and Economic Co-operation and Guangdong provincial government.

All the booths at the fair—which replaced the former closed negotiation exhibition halls starting last spring—are offered to the exhibitors through public bidding.

The reform programme will enable the centre to further strengthen its ties with world-famous trade centres and international trade fairs, officials said.

Meanwhile, the changes to the fair will also help Guangzhou build an international trade centre in South China, trade officials said.

The 74th Chinese Export Commodities Fair, which opened on October 15, ended on Saturday. It attracted more than 46,000 overseas visitors from 150 nations and regions around the world.

And the fair organizers believe this important Chinese export event will be developed into a world-famous trade fair in the near future.

"We will try to attract more foreign producers to the fair in the future," fair organizers said.

The fair has attracted a contractual value of more than \$120 billion since it began in 1957.

At present, the fair accounts for contracts that produce about 20 per cent of the country's total export volume a year.

Guangzhou Executes 7 for Drug Trafficking

HK3010041593 Beijing ZHONGGUO XINWEN SHE in Chinese 1142 GMT 29 Oct 93

[By reporter Mo Fei (5459 7236) and correspondent Luo Kui (5012 6652)]

[Text] Guangzhou 29 Oct (ZHONGGUO XINWEN SHE)—Guangzhou Intermediate People's Court today executed seven drug traffickers whose death sentences had been approved by a higher-level people's court according to law.

Drug traffickers Wu Yongxiong, Zhai Zhiwei, and Guo Fuqiang were from Guangzhou. They conspired with each other to smuggle heroin from Vietnam and later spent tens of thousands of yuan to buy 7.9 kg of heroin in Dong Dang, a city in Vietnam city. They were caught by police when selling the heroin for profit in Guangzhou.

Yang Yanhua was a drug trafficker who rented a room in a hostel in Guangzhou to wait for the opportunity to engage in drug trafficking. On 16 August 1991, he hired another criminal surnamed Ren (whose case is being handled separately) and both decided on a deal of 500 grams of heroin that night. Yang was caught red handed while he waited for the buyer to keep their appointment. Some 565 grams of heroin was found in his room.

Guangzhou Opens Suburban Industrial Park

OW3010074293 Beijing XINHUA in English 0715 GMT 30 Oct 93

[Text] Guangzhou, October 30 (XINHUA)—The first batch of workshops in the eastern suburb industrial park in Guangzhou City, capital of Guangdong province, has opened to overseas-funded enterprises.

Occupying 810,000 square meters in the eastern suburb of Guangzhou, the industrial park is one of the centers for scientific research and production of Guangzhou Tianhe New and High Technological Development Zone.

With a total investment of 3 billion yuan, the construction of the park started in August 1991. Its development was supported by the telecommunication departments, urban construction departments, water and electricity supply bureaux, and the municipal planning commission.

Within a few months, a total overseas investment of more than 300 million yuan was obtained.

Now about 102,000 square meters of workshops and residential buildings are ready for more than 20 overseas-funded enterprises which are involved in electronics, telecommunications and biological engineering.

It is estimated that the annual output value will reach a billion yuan, with about 100 million yuan of profits and revenues to the state.

Hubei Continues Farmland Transformation

HK0211073593 Wuhan Hubei People's Radio Network in Mandarin 1000 GMT 27 Oct 93

[Excerpt] While vigorously readjusting and optimizing the rural production structure and constantly enhancing the comprehensive agricultural production capacity, the province has made unreserved efforts to create more high-yield and high-efficiency farmland with the result that by the end of September, thanks to strenuous efforts over the past few years, the province had upgraded some 60 percent of its

30-odd million low-yield and medium-yield farmland and completed large-scale comprehensive exploitation and management of more than 4 million mu of its low-yield and medium-yield farmland.

The province has also energetically maintained agricultural superiority, expeditiously transformed low-yield and medium-yield farmland which accounts for two thirds of its total farmland area, and turned barren farmland into fish ponds and grasslands. As a result, the province has basically harnessed a total of more than 8 million mu of low-yield and medium-yield farmland and raised the per unit area yield of most of its crops. The province now has a total of more than 14 million mu of high-yield grain fields with per unit area yields exceeding 1,000 yuan. The high-yield grain fields account for about 30 percent of the province's total arable land area.

Since the winter of 1989, more than 40 counties, cities, and suburban areas on the Jiangnan Plain and in northern Hubei have conducted either first-phase or second-phase comprehensive agricultural exploitation and completed large-scale low-yield and medium-yield farmland transformation. [passage omitted]

Hubei Holds Memorial Service for General

HK3010043693 Wuhan Hubei People's Radio Network in Mandarin 1000 GMT 23 Oct 93

[Text] The ceremony to inter the funerary urn of General Chen Zaidao was held on 23 October in the Macheng Revolutionary Cemetery. Cui Jianrui, vice chairman of the provincial committee of the Chinese People's Political Consultative Conference [CPPCC]; Huang Yuanzhi, secretary of the Huanggang prefectural party committee; and the children of Chen Zaidao unveiled the monument to Chen Zaidao.

Comrade Chen Zaidao was a native of Xinchun, Chenmang township, Macheng. He joined the Huangma uprisings in 1927, and was admitted to the CPC in 1928. In his revolutionary career of more than half a century, he loved the party and the people. He was open and aboveboard—manifesting the lofty values and revolutionary spirit of a communist, and the noble character and sterling integrity of a proletarian revolutionary. General Chen Zaidao passed away on 16 April 1993 in Beijing at the age of 84.

The General Office of the Central Military Commission and the Management Bureau of the General Staff Headquarters sent representatives to attend the ceremony. The Hubei CPC Committee, the provincial people's congress, the provincial government, the provincial CPPCC committee, Comrade Chen Zaidao's comrades in arms, and the party and government organizations from his home town all presented wreaths.

Southwest Region

Guizhou Secretary Lists 'Three Major Tasks'

HK2810142593 Beijing XINHUA Domestic Service in Chinese 0836 GMT 27 Oct 93

[Interview with Liu Fangren, secretary of the Guizhou provincial CPC committee by staff reporter Li Xinyan

(2621 2450 1750) and Zhang Bingsen (1728 3521 2773): "Increase the Intensity of Reform, Develop the Market Economy"]

[Text] Guiyang, 27 Oct (XINHUA)—In face of the important issue of establishing a socialist market economic structure, what actions should Guizhou Province, whose economic development is lagging behind, take? When these reporters interviewed Liu Fangren, secretary of the Guizhou Provincial CPC Committee, a few days ago, he answered this question without equivocation.

He said: First of all, it is necessary to change our way of thinking and emancipate our minds. That is, we must thoroughly study the theory of building socialism with Chinese characteristics, master the essential knowledge regarding and basic laws governing the socialist market economy, and break with the "leftist" ideology and out-dated concepts that were formed under the natural economic conditions. So far as Guizhou is concerned, the key points at present are doing away with the outmoded concepts of sticking to old ways, being satisfied with the present state of affairs, and refusing to make progress, eradicating the closed and narrow-minded awareness of small peasant economy, and strengthening awareness of market economy, competition, and the concept of openness. In this connection, the provincial party committee will adopt various effective forms to intensify study and education among the cadres and masses throughout the province to update their ideology and concepts. Moreover, we should increase the intensity of reform and, focusing on the establishment of the socialist market economic structure, take the lead in putting things into practice courageously. Being a province with comparatively poor conditions and a backward economy, Guizhou must have the spirit of daring to run risks and pioneer causes, as well as to make decisions promptly and acting quickly on those matters that have been accurately targeted. In the course of intense competition in the market economy, we shall commit historical blunders if we miss the golden opportunities.

Liu Fangren is of the opinion that the establishment of the socialist market economic structure involves a large number of things which must be attended to. With regard to the province's economic work, there are the following "three major tasks" that must be properly grasped at present:

1. It is necessary to continue placing the work of intensifying agriculture in a primary position, to firmly set up the ideology of developing large-scale agriculture and the rural economy in a comprehensive way, and particularly to make breakthrough progress in leading peasants to the market. Mountainous and hilly areas account for more than 97 percent of the total area of Guizhou, which is the only agricultural province in China without a single patch of plain, and which is also a province short of grain owing to its large population, low peasant income, and high proportion of impoverished population. Even given another year of bumper harvests in grain output throughout the province, nearly 1 billion kg of grain has to be transferred from other provinces this year. Therefore, we should further intensify the position of agriculture as a foundation, quicken the pace of getting rid of poverty to head for moderate prosperity in

rural areas, and take this as the overall objective of our agricultural and rural work in the 1990's. We should hold fast to rural work conscientiously in line with the requirements of "two increases, one control, and one decrease," that is, steadily increasing grain output, steadily increasing peasant income, strictly controlling overly rapid population growth, and decreasing through hard work the proportion of the impoverished population. To this end, it is necessary to readjust the rural economic structure, disseminate science and technology, and follow the road of developing agriculture characterized by high yield, fine quality, and good results in light of the requirements for market economic development. Besides, we should vigorously develop the diversified economy as well as township and town enterprises to boost "farming, breeding, and processing" simultaneously. In the meantime, we should energetically develop a socialized service system, positively cultivate rural commodity markets, and guide peasants in entering and adapting themselves to the markets as quickly as possible.

2. It is necessary to transform the operational mechanisms of state-owned enterprises, large and medium enterprises in particular, and really push the enterprises into the markets. Large and medium enterprises in Guizhou form a relatively large proportion in the total number of the province's enterprises and hold a decisive position in its national economy. They are primary sources of the province's financial revenues. Hence, we must thoroughly implement the enterprise law and the Regulations on Transforming the Operational Mechanisms in the Industrial Enterprises Under Public Ownership, and make up our minds to promote the "two importations," that is, importing capital from other provinces, from outside the national boundary, and from foreign countries to transform and "graft" technical equipment upon large and medium enterprises in a bid to increase the competitive capacity of enterprises, and importing advanced experience in operation and management from foreign countries, other provinces, and other units to transform the operational mechanisms of enterprises by way of "grafting" in a bid to augment their vitality. With regard to our work, we must vigorously foster burgeoning industries such as automobile, electronics, light industry, building materials, and others which will effectively contribute to, and exert a powerful impact on, the province's economic development, while making further effort to grasp the industries of tobacco and wine which yield good economic results. In addition, we should pay attention to the experiments with the joint-stock system in a positive manner, and make breakthrough progress in the areas of selling by auction, leasing, merging, and jointly operating some small-sized, poorly performing, or loss-incurring enterprises, so they will be able to really advance toward the markets.

3. It is necessary to vigorously develop the non-state economies in order to achieve the common prosperity of the multiple economic sectors. The non-state economies have developed very slowly in Guizhou, which is a major reason why the economy in Guizhou did not develop rapidly. We must fully understand the special importance of developing the non-state economic sectors from the high plane of strategy to attain a faster economic development in

Guizhou, and take it seriously as a major issue for rejuvenating Guizhou's economy, shaking off poverty to become prosperous, and gradually narrowing the gap between Guizhou and other fraternal provinces and municipalities. When a specialized household is increased in the province, an impoverished household is reduced correspondingly. The development of non-state economic sectors can achieve the results of making the economy flourishing almost without any investment from the state, why should we not be happy to go ahead with it?

Finally, Liu Fangren said that although he has been in Guizhou for only three months or so, he is fully confident of the province's development. Just as Premier Zhou Enlai pointed out in his lifetime: "Guizhou boasts picturesque mountains and rivers, pleasant weather, rich resources, and assiduous people." Today, the cadres and masses in Guizhou are very enthusiastic for bringing about faster development, which is the most valuable innate and spiritual motive force to push the province's work forward. Thanks to the leadership and concern of the party's central committee and the State Council, we will certainly boost the province's economy, provided that the people of all nationalities further emancipate their minds, unite to forge ahead, and do solid work in real earnest.

Sichuan Continues Anticorruption Work

HK3110084893 Chengdu SICHUAN RIBAO in Chinese
11 Oct 93 p 1

[Commentator's article: "Correctly Understand the Identity Between Anticorruption Struggle and Economic Construction"]

[Text] The anticorruption struggle planned by the CPC Central Committee is being swiftly and intensively launched in our province and our country, and, at the same time, vast numbers of cadres and the broad masses are enthusiastically and vigorously promoting economic construction. However, a small number of comrades worry about the possibility that the anticorruption struggle will obstruct economic construction. Hence, they wait and see hesitantly and take a negative attitude. To counter this, it is badly needed to correctly understand the identity between the anticorruption struggle and economic construction and uphold the unity of the two.

A correct understanding of the identity between the anticorruption struggle and economic construction is, in reality, to correctly understand and deal with the relationship between economics and politics. A comparison between economics and politics can tell that economics is the base which determines politics; whereas politics is the concentrated expression of economics which reacts on economics and, under certain circumstances, plays a certain decisive role in economics. Hence, we must, under whatever circumstances, uphold the dialectic unity of economics and politics and should never speak on economics simply for economics' sake and talk about politics simply for politics' sake. In the new period of socialist building, the unity of economics and politics is all reflected by the basic party line in the primary stage of socialism. The core substance of the basic party line

is to center on economic construction and concentrate our energies to develop social productive forces. It is not only an economic issue but also the largest issue of politics. Ever since the Third Plenary Session of the 11th CPC Central Committee, our party has been leading the whole people to uphold the four cardinal principles, insist on reform and opening up, guarantee the center of economic construction, and vigorously bring about the development of productive forces and improvement of the people's lives. At present and in the future, the basic requirements of the basic party line is still to continue to hold fast to the center of economic construction and oppose any practice or action deviating from this center. Hence, it is understandable for a small number of comrades to worry about the possibility that the anticorruption struggle will obstruct economic construction, but this worry is unnecessary.

As a matter of fact, an urgent need to carry out economic construction in a better way under the current situation is precisely to launch the anticorruption struggle. Over the past 15 years, our country carried out comprehensive economic and political restructuring with a market orientation. Now, we are striding forward towards the goal of establishing a socialist market economy. The core of a market economy is to distribute resources mainly through the market and introduce a fair mechanism of competition to invigorate the national economy while insisting on the macroscopic regulation of the State. However, in this process, a small number of people in society, particularly within the party, have taken advantage of the gap that emerged during the transformation of the old and new mechanisms and exploited imperfection of reform measures and legal building to commit corrupt practices, including abusing power to seek selfish interests, exchanging power for money, giving and taking bribes, blackmailing, and perverting justice for bribes, thus severely distorting the principle of market mechanism and disrupting the good economic environment. Under these circumstances, our party must consider the problem at a political level if we want to fulfill our own economic tasks. The anti corruption struggle being launched is precisely a proper move which in our party, while taking political actions to fulfill economic aims, realizes the unity of economics and politics. With the deepening of the struggle, corrupt phenomena will be drastically decreased, the overall economic environment will certainly improve, and our economic construction will undoubtedly make a big stride forward on the road of proper and rapid development. With the bright future in sight, will there still be any grounds to worry about the possibility that the anticorruption struggle will obstruct economic construction?

Of course, economics and politics are, after all, two areas of concern which link up with as well as differentiate from each other. They often overlap in a complex situation, and therefore we must have a good grasp of the policies in launching the anticorruption struggle. Here, the key to the problem is that we must properly distinguish and deal with conflicts of two different natures, pay attention to making a clear distinction between crimes and non-crimes, between law, discipline, and professional ethics, and between work faults in reform exploration and law-breaking and criminal

activities perpetrated under the banner of reform. As long as we have a good grasp of these policy distinctions, we can definitely succeed in the anticorruption struggle and bring about rapid and intensive economic development.

Sichuan's Chengdu 'Largest' Meat Wholesale Market

OW2610083993 Beijing XINHUA in English 0815 GMT 26 Oct 93

[Text] Chengdu, October 26 (XINHUA)—Chengdu, capital of Southwest China's Sichuan Province, has become the largest meat wholesale market and meat business information center in the country.

The market, co-sponsored two years ago by the former Ministry of Commerce (now Ministry of Internal Trade) and the Provincial Government of Sichuan, is also the first wholesale market in China.

Sichuan is China's largest pig raising and pork production province, selling some 400,000 tons of pork to other parts of China every year.

Now the market has more than 500 members, 72 percent of whom are state-owned enterprises, over 25 percent are collectively-owned enterprises, and about two percent are foreign-funded ones.

The market authorities publicize meat price quotations throughout the country regularly through a computer network and the press.

According to market officials, prices announced by the market have been recognized as "national gauges" in the field.

They also provide traders with transport, information, trading and accounting services.

Since its establishment on October 25, 1991, the market has registered 7,760 contracts, reporting a business volume of more than 1.1 million tons of meat. The annual transaction records a 30 percent increase compared with the volume before the market was established.

Tibet's Chairman at Anticorruption Meeting

OW2710215993 Lhasa Tibet People's Radio Network in Mandarin 1425 GMT 23 Oct 93

[From the "News" program]

[Text] The autonomous regional people's government held an enlarged plenary session on 23 October to draw up plan for anticorruption struggle among all government organizations in the region and to solicit views on revising the opinions, regulations, and other documents on the anticorruption struggle to be promulgated in our region soon. Gyaincain Norbu, Tibet Autonomous Regional People's Government chairman; and Vice Chairmen Gyamco, Gyim Puncog Cedain, Laba Pingcuo, (Lian Gongqin), Toinzhub, and (Yang Song) attended the meeting.

To further intensify the anticorruption struggle and to provide rules and regulations for relevant investigations to

follow in our region in the near future, the autonomous regional people's government general office, planning and economic commission, finance department, supervision department, economic restructuring office, and administration for industry and commerce drafted Some Opinions on Further Waging Anticorruption Struggle; Regulations on Party and Government Organizations' Disengaging Themselves from the Economic Entities They Have Set Up; Regulations on Strictly Forbidding Cadres, Staff, and Workers To Gamble; and Emergency Circulars on Conscientiously Implementing Documents Nos. 18 and 19 Issued by the CPC Central Committee General Office, in accordance with the guidelines of the CPC Central Committee's and State Council's relevant documents and the guidelines of the instructions by the regional party committee and the regional people's government and in light of the actual conditions in Tibet. Comrades attending the meeting earnestly discussed the aforementioned five [number as heard] documents and made many good suggestions for revisions.

At the meeting, Gyaincain Norbu, Tibet Autonomous Regional People's Government chairman, delivered an important speech on the progress made by government organizations in waging the anticorruption struggle and on the next-step work for successfully waging the anticorruption struggle. He said: After the regional party committee and regional people's government held on 16 September an anticorruption struggle mobilization meeting of party member cadres of organs directly under the regional party committee and regional people's government at and above the county level, the party and government organizations at all levels in the whole region attached great importance to the struggle and took prompt actions. The morale of the masses of all nationalities in all circles were greatly enhanced, and they enthusiastically responded to the drive. Most cadres, staff, and workers deepened their understanding of the anticorruption struggle through propaganda and study; basically gained a clear idea of the major points of the anticorruption struggle as well as the phased tasks of anticorruption struggle in the near future; and further boosted their confidence in the fight against corruption as well as their courage for the fight. The number of corruption cases reported by the masses increased quickly. We discovered some initial clues to a number of big, important cases. Discipline inspection departments, supervision departments, and other relevant departments are arranging these cases in the order of their importance and urgency, are conducting investigations, and are placing them on file. The work to screen and rectify the wanton collection of fees and fines and wanton apportionments has already started. Some unhealthy trends about which the masses had strongly complained restrained themselves noticeably. At present, most units have progressed to the phase of self-examination and self-rectification in carrying out the anticorruption work.

Gyaincain Norbu said: The central authorities have designated the following three main areas of attention for anticorruption work in the near future: 1) Party and government cadres at all levels must set a good example of honesty and self-discipline; 2) efforts must be concentrated on investigating and handling a number of major and serious cases;

and 3) each locality, department or unit should carefully examine existing problems; and should make resolute efforts to curb unhealthy practices about which the masses are resentful.

Gyaincain Norbu urged leading government cadres at and above the county level, especially all component members of the governments, to exemplify themselves in honesty and self-discipline, and to take the lead in fighting corruption. Requirements for the entire region must first be complied with by all government departments; while higher-level units must set a good example for lower-level units, and government component members as well as commission, office, department, and bureau leaders must be role models for lower functionaries in observing such requirements.

Gyaincain Norbu emphasized the following guidelines for the anticorruption struggle in the near future: 1) It is necessary to adhere to the party's basic line; 2) it is necessary to address outstanding problems and concentrate on investigating and handling cases involving leading party and government organs, judicial departments, administrative law enforcement departments, economic management departments, and their functionaries; 3) it is necessary to stringently investigate and handle cases of violating law and discipline; and dismiss or severely punish lawbreakers as deemed appropriate according to the law; 4) it is necessary to subordinate local interests to overall interests; and 5) it is necessary to uphold the principles of unity, stability, encouragement, and positive propaganda.

Gyamco, vice chairman of the regional government, chaired the meeting.

North Region

Hebei Secretary on Shijiazhuang's Urban Planning

SK0211040293 Shijiazhuang Hebei People's Radio Network in Mandarin 2300 GMT 1 Nov 93

[Text] On 31 October, mayors and specialists from over 50 cities throughout the country gathered in Shijiazhuang city to inspect the city and also give advice on the city's second-stage urban development plan.

Cheng Weigao, secretary of the provincial party committee, attended and addressed the gathering. He said: Mayors should put the concern of urban construction and of the people's livelihood on the important work agenda, achieve economic construction, hold themselves responsible to the people, improve the people's living conditions, and realistically improve the people's living environment. If the urban construction is not modernized, it will be impossible to realize the target of becoming fairly affluent.

He urged: Mayors should make valuable contributions to Shijiazhuang city's overall urban development plan. We should not only apply the specialists' opinions in Shijiazhuang's development but also use them to guide the formulation of urban construction plans of all cities in the province.

Shen Zhifeng, mayor of Shijiazhuang city, introduced in detail the city's urban planning, construction, and management situation.

The second-stage overall urban development plan of Shijiazhuang city was made in 1982 and approved by the State Council in 1983. However, along with the ceaseless deepening of reform and opening up, this plan with the focus on medium-sized cities is no longer suitable to the demands of the new situation of setting up the socialist market economy, conducting reform, and opening to the outside world. To this end, the Shijiazhuang city party committee and government decided to revise this plan. In the course of revising the plan, the city has persisted in the requirements of making urban planning suit the needs of the socialist market economy, the position as the capital of the province, and the increasingly higher demands of the people's livelihood; and has stressed the necessity to set the sight on the future and to suit the demands of building a modernized large city.

Present at the gathering were Zhao Jinduo, standing committee member of the provincial party committee and secretary of the Shijiazhuang city party committee; Guo Shichang, vice governor of the provincial government; and leaders of the provincial-level departments and relevant departments of Shijiazhuang city.

Hebei Notice on Controlling Firearm Possession

SK2810072993 Shijiazhuang HEBEI RIBAO in Chinese 14 Oct 93 p 1

[30 September Hebei provincial people's government notice on rounding up illegally owned firearms and ammunition]

[Text] The illegally trafficking, manufacturing, and possessing of various kinds of firearms and the violations of state regulations on management of firearms have increased in the past few years. This has caused serious harm to the social order and the safety of the people. To safeguard the social order and public security, and to protect the legal rights and interests of the citizens, the provincial government provides the following notice of the relevant regulations of the "PRC Methods for Management of Firearms" and the "Penal Code of the PRC":

1. No units or individuals are allowed to illegally manufacture, transport, buy or sell, privately hide, possess, or carry imitation or real guns, including firearms for military use, shooting guns for sports use, shotguns, power guns, air guns, anesthesia guns, steel-ball guns, electric-shock guns, and tear-gas guns. Those who illegally manufacture, transport, buy or sell, privately hide, possess, or carry firearms and ammunitions and those who steal or seize firearms and ammunition from military personnel, policemen, and militiamen will be punished according to the seriousness of their cases.

2. Those who illegally manufacture, transport, buy or sell, privately hide, steal, or seize firearms and ammunition must immediately surrender themselves to security organs and also surrender their firearms, ammunition, and the tools, equipment, and raw materials used to manufacture firearms and ammunition, to local security organs. From the day that

the notice is promulgated, those who possess or carry various kinds of firearms and ammunition must report to the security organs immediately and actively, and also surrender their firearms and ammunition.

3. Those who actively hand over firearms and ammunition within the next 30 days, report the situation accurately, repent their errors, and pledge not to offend again may be handled leniently. Those whose cases are not serious must not be investigated. Those who refuse to hand over firearms and ammunition or continue to conduct such illegal activities must be handled strictly.

4. Those who have purchased their civilian-use guns from the lawful units with documents of approval effectively issued by the security organs but have not registered their firearms and ammunition with relevant departments must report to and register with the local security organs in the next 60 days and explain their situation. With the examination and approval of the security organs, they should go through the procedures for keeping firearms and ammunition. Those who do not report within the time limits should be punished for privately hiding firearms and ammunition.

5. All units, neighborhood committees, towns, and townships should conscientiously disseminate this notice among the staff members and workers and their dwellers and also positively work in cooperation with the security organs to withdraw the firearms and ammunition. Each and every citizen is responsible for helping security organs investigate the law-breakers and criminals who are involved in firearms and ammunition. Those with contributions to reporting such criminal cases to security organs should be awarded. Those who harbor, give shelter to, and tolerate criminal offenders should be investigated. Those who attack and retaliate against persons who report cases to security organs should strictly be punished according to laws.

This notice is effective from the date of its promulgation.

Hebei Releases Jan-Sep Economic Figures

SK2810084393 Shijiazhuang Hebei People's Radio Network in Mandarin 2300 GMT 27 Oct 93

[Text] According to the latest statistical figures released by the provincial statistical bureau a few days ago, the province's economic situation has continuously developed in a positive way. According to preliminary calculations, from January to September, the province's gross domestic product was 110.86 billion yuan, an increase of 14.6 percent over the same period last year. Of this, the gross domestic product in the third quarter increased by 14.7 percent. Industrial production increased steadily. From January to September, the output value of industry at or above the township level was 119.45 billion yuan, an increase of 18.8 percent. Of this, the increase margin in the third quarter dropped by 2.8 percentage points from that in the second quarter.

The macroeconomic regulation and control exerted the following influences on industrial production: Results were rapid, decrease was steady and slow, production structure

tended to develop towards a good orientation, and efficiency improved steadily. The rate of increase in fixed assets investment slowed. In the first three quarters of this year, the investment made by state-owned units was 17.71 billion yuan, a 67 percent increase over the same period last year, or 8.6 percentage points lower than the increase margin of the first half of 1993. The investment structure tended to improve. Domestic markets increased steadily, and the supply of goods was ample. In the first three quarters of this year, the total volume of retail sales on consumer markets was 40.39 billion yuan, an increase of 12.3 percent over the same period last year. The contradictions between supply and demand of means of production tended to be relieved, the reserve of means of production increased, and prices dropped. The financial situation took a favorable turn. By the end of September, savings deposits of residents reached 91.56 billion yuan, an increase of 13.5 billion yuan over the figure at the beginning of this year.

Inner Mongolia Works on Pasture Reconstruction

OW0211100293 Beijing XINHUA in English 0724
GMT 2 Nov 93

[Text] Hohhot, November 2 (XINHUA)—The Inner Mongolia Autonomous Region, one of China's five major animal husbandry centers, has managed to reconstruct more than 1.33 million ha of grasslands annually in recent years, guaranteeing steady output growth in this sector for nine consecutive years.

Although the region has suffered severe natural disasters this year, statistics show that by the end of June the total animals in stock in the region still reached 55.78 million head.

With 63.6 million ha of grassland, Inner Mongolia has rich resources for developing animal husbandry. In the period from 1949 to 1965 the number of animals in stock in the region increased 3.9 times to reach 41.76 million head.

In the period from then to the early 1980s, however, nearly 40 percent of the region's grassland degenerated. Between 1965 and 1976 the number of animals in stock in the region showed a yearly average decrease of 0.5 percent.

After 1978, when China adopted the policy of reform and opening to the outside world, the regional government began to pay more attention to reconstruction of the pastures. By taking various measures including sowing grass both by hand and from the air as well as enclosing the pastures, the region managed to make its grasslands recover quickly. Last year it reconstructed 1.63 million ha of pasture land, which was equal to the amount of degeneration in the same year.

Last year the per-capita annual income of herdsmen in the region amounted to 1,022 yuan, more than three times that in 1978 in terms of comparable prices. And over 90 percent of the herdsmen have settled down.

In order to protect the grasslands, experts stressed, it is necessary to control the increase rate of animals while speeding up reconstruction of the grasslands and paying more attention to applying science to animal husbandry.

Tianjin CPC Committee Holds Rural Work Meeting

SK0111032093 Tianjin People's Radio in Mandarin
2300 GMT 29 Oct 93

[Text] The municipal party committee held an enlarged standing committee meeting on 29 October to relay and study the important speeches given by Comrades Jiang Zemin and Li Peng at the central rural work conference and the major guidelines of the conference and, in line with the actual conditions of Tianjin, to study ways of implementing the central guidelines and strengthening Tianjin's agriculture and rural work. Gao Dezhan, secretary of the municipal party committee, chaired and addressed the meeting. Vice Mayor Zhu Liankang, made a special report.

Comrades attending the meeting agreed: The central rural work conference held recently by the CPC Central Committee was a very important conference. The strategic idea and policy measure of comprehensively strengthening the fundamental position of agriculture and pushing China's agriculture and rural economy up to a new stage in the process of establishing the socialist market economy system as put forward by the party Central Committee have much significance in guiding the accelerated development of agriculture and the rural economy. We should educate and mobilize all quarters of the municipality, especially party and government leaders at all levels, to enhance the understanding of the importance of strengthening agriculture and the rural economy and firmly embrace the idea that agriculture is the foundation of the national economy and the idea that it is imperative to attach importance to, protect, and strengthen agriculture if we are to develop reform and opening up. Tianjin's urban economy and rural economy have been integrated. We may say that Tianjin's economy cannot be brought up to a new stage if its agriculture is not brought up to a new stage, and that Tianjin's economy cannot be revitalized if its rural economy is not revitalized.

It was noted at the meeting: In implementing the guidelines of the central rural work conference, we should proceed from Tianjin's suburban-type agriculture, which is its reality, and adhere to the principle of integrating the urban and rural economies and promoting them simultaneously to achieve overall development. We should conscientiously study the general idea for Tianjin to develop its rural economy in the new situation. We should develop high-yield, good-quality, and high-efficiency agriculture more quickly; stabilize grain areas; attend to the shopping basket project; and make great efforts to restructure the various trades. We should greatly develop township enterprises and exert more efforts to cultivate the new growing points of the economy. Township enterprises as well as individual and private enterprises should develop in the fastest way they can as long as they can find a market and earn profits. We should continue efforts to promote the spiritual civilization and comprehensively improve public security in rural areas to build a prosperous and civilized new countryside. We should strive to increase peasants' income and financial revenues to enhance the economic strength of Tianjin's rural areas.

Tianjin Boosting Agricultural Production Exports*OW2810132493 Beijing XINHUA in English 1253
GMT 28 Oct 93*

[Text] Tianjin, October 28 (XINHUA)—Farmers in the suburbs of Tianjin City in north China are boosting export production.

According to an official from the municipal agriculture committee, exports now represent a 10 percent share of the city's agricultural production.

The export volume of rural enterprises reached 3.9 billion yuan (650 million U.S. dollars) in the first nine months of this year, nearly up 30 percent over the same period of last year, the official disclosed.

He said that rural exports have benefited from burgeoning Sino-foreign joint ventures and multi-level international exchanges and cooperation.

A fresh survey report shows that more than 1,600 Sino-foreign joint ventures, involving an investment of 1.3 billion U.S. dollars, were opened in the city's suburbs by October of this year.

Among them are 706 foreign-funded projects approved this year which have absorbed over 400 million U.S. dollars.

Meanwhile, township enterprises focused on the export processing industry are mushrooming across the suburbs.

By the end of September, more than 1,200 township enterprises had extended their business activities to garment-making, handicrafts, carpet-weaving, food processing, textiles, toys, hardware and chemicals.

In the Xingang foreign trade port, the largest in the north of China, farmer-run services in storage and transportation are flourishing. Real estate business and tourism are also taking shape in the rural areas.

The city's suburbs now house a Sino-Finland milk processing professional training center and a veterinary station jointly sponsored by China and Finland.

The Europe Community has invested in building a green food inspection center there.

Furthermore, the city has established a number of bases for exporting agricultural and sideline products, including white garlic, vegetables and aquatic plants.

While the rural economy is striding into the international market, a high-tech industry is taking root in the countryside.

A newly-launched high technology development zone in Wuqing County now has 89 enterprises, including 50 firms that are foreign-funded.

As a result of the booming export production, farmers' average income climbed to over 900 yuan per capita during the January-September period, and is expected to surpass 1,400 yuan per capita by the end of this year.

Northeast Region**Heilongjiang Cable TV Station Under Investigation***SK3010022293 Harbin Heilongjiang People's Radio
Network in Mandarin 1000 GMT 28 Oct 93*

[Text] The cable television station of the Jiamusi textile printing and dyeing plant was recently investigated and handled by the provincial radio and television administrative department for wantonly broadcasting literary and art video films in violation of state regulations. This cable television station was established with the official approval of the state. The state regulations on the nature of cable television stations point out that, as an important part of China's radio and television propaganda network, cable television stations should become the mouthpiece of the party and the people and an important front of the socialist ideology. Party committees and radio and television administrative departments at all levels should regard cable television stations as news propaganda units, strengthen management of them, and set strict demands on them.

In violation of relevant state regulations, the cable television station of the Jiamusi textile printing and dyeing plant began on 22 July to broadcast without authority movies and the literary and art video films for leasing, including those prohibited by the state after screening from being broadcast at cable television stations. The cable television station of the Jiamusi textile printing and dyeing plant turned the party's propaganda front into an expanded video film showing site, thus interfering with radio and television propaganda, seriously violating the administrative regulations of the state and the province, and causing an extremely adverse influence on society.

When personnel of the provincial radio and television administrative department went to the plant to investigate and handle the cable television station's violation of propaganda discipline, relevant personnel of this plant rudely interfered with the official duty performance by the personnel from the administrative department. The provincial radio and television administrative department has ordered this cable television station to stop broadcasting unapproved programs. The investigation is still ongoing.

Commentary on Cable TV Control*SK3010022493 Harbin Heilongjiang People's Radio
Network in Mandarin 1000 GMT 28 Oct 93*

[Station commentary: "Propaganda and Management of Cable Television Stations Must Not Be Neglected"]

[Text] The report on the cable television station of the Jiamusi textile printing and dyeing plant wantonly broadcasting video films in violation of state regulations calls for deep thought. As the mouthpiece of the party and the people and an important front of the socialist ideology, the cable television station went so far as to broadcast a large number of overseas movies and television films prohibited by the state in defiance of state laws and the management of the

radio and television administrative department, thus disrupting the order of the state radio and television propaganda and violating the purpose of establishing cable television stations. This was a serious problem.

The personnel of the cable television station, whose establishment had been officially approved by the state, did not study, abide by, and enforce laws; did whatever they liked; and turned the cable television station into an expanded video film showing site to broadcast whatever they wanted. This was an act that must never be permitted. All the cable television stations of all sizes and under all administrative departments in the province should learn a lesson from it.

Like wireless television stations, cable television stations are the mouthpiece of the party and the people and the propaganda front to educate and serve the people and to encourage them to make progress. Unlike video film showing and producing sites, cable television stations play a notable role of political guidance in addition to their cultural and entertainment functions. As we know, the state has different regulations on the administration of television stations and video film showing sites. Therefore, we should not equate cable television stations with video film showing sites, and cable television stations are not permitted to broadcast the video products of video film showing sites and even relay overseas satellite television programs without authority.

Facts have proven that chaos in the propaganda front of the media will seriously interfere with and undermine the party's cause and socialism. Party and government leading comrades at all levels should have a clear idea about this. With a high enterprising spirit and strong sense of responsibility, they should strictly enforce discipline and strengthen management. Along with economic development, construction of cable television station networks is being gradually expanded and developed. While building cable television station networks, we should further strengthen management of the propaganda to bring the propaganda of cable television stations to the track of sound development.

Jilin Approves 1,240 Foreign-Funded Ventures

OW0211105493 Beijing XINHUA in English 0827
GMT 2 Nov 93

[Text] Changchun, November 2 (XINHUA)—Northeast China's Jilin Province has quickened the pace of approving joint ventures this year, with an average of five foreign-funded enterprises set up per day.

The number of joint ventures in the province has surpassed 2,000, with an overall investment of 3.9 billion U.S. dollars.

In the first nine months of this year, the province approved 1,240 enterprises, with foreign funds totalling 689 million U.S. dollars.

Meanwhile, production of joint ventures that have gone into operation have had a substantial increase. Output in the first nine months of this year reached at least 3.15 billion yuan.

The number of newly-established joint ventures and the amount of foreign funds invested jumped this year by 2.5 times the figure of the same period of last year.

In addition to the high speed of development, the scope and scale of joint ventures also expanded.

About 59.3 percent of foreign investment and joint ventures were in basic industries, while investment in tertiary industries also increased.

The average amount of foreign funds for a single project expanded to 576,000 U.S. dollars. At least 47 joint ventures had an investment above 10 million U.S. dollars each.

Liaoning Commentary on Grain Marketing Issues

SK3010104193 Shenyang Liaoning People's Radio
Network in Mandarin 2300 GMT 28 Oct 93

[Commentary by station reporter (Luo Bin): "Ponder the Problems Behind Bumper Harvests"]

[Text] This year, the province has a gratifying situation in agricultural production, with total grain output expected to reach 16.760 million kg. Despite the joy of having a bumper harvest, we have witnessed some worries that are unsettling to the people. Our current difficulties in marketing paddy rice are expected to continue until next year.

In studying the situation, the reporter found that although Panjin city, a major paddy rice production base of our province, has a storage capacity of 400 million kg of grain, it has kept 390 million kg of grain in stock, and because it plans on buying 400 million kg of paddy rice this year, it needs to prepare more storage space. Other rice production areas in the province have similar problems. Paddy rice is not finding good markets, thus incurring high expenses for storing large amounts of it. Over the past year, grain enterprises have failed to market all the purchased grain, resulting in a dampening of their enthusiasm for purchasing grain. Thus the problem is emerging of peasants having difficulty marketing grain. Being behind in payments to grain sellers has presented a knotty problem for peasants. At present, the default on payment to grain sellers has reached 1.08 billion yuan. The problem in this regard is more prominent in Panjin, a land of rice production, and Tieling, where grain is stored in northern Liaoning. Thus, the normal operations of the grain departments have been affected.

In addition, the provincial financial department has failed to pay 3.24 billion yuan of funds to the grain departments. The failure to ensure the timely payment of these funds will affect the proper allocation of grain purchasing funds. We need to pay attention to the now emerging difficulties in purchasing corn. Peasants in some localities have marketed all of their corn because contracted purchasing of corn coincided with the purchasing of corn at negotiated prices under the influence of market grain prices. So, it is uncertain whether the province can meet the contracted task.

These problems merit the high attention of the provincial party committee and the provincial government. At the executive meeting of the provincial government that was held recently, specific methods for clearing up the default on the payment to grain sellers were discussed and formulated. The provincial agricultural bank and the provincial industrial and commercial bank will grant some portions of funds to help clear up the default. The provincial government urged all cities to strive to pay off debts to the peasants by the end of this year and not to accumulate any new defaults.

The policies on purchasing autumn grain which were formulated by the provincial government a few days ago, clearly define that we should appropriately subsidize the

purchase of paddy rice and first grant loans to grain enterprises that purchase the paddy rice harvested in the province so as to protect production and promote marketing.

What merits our attention is that 1993 is the first year experiencing decontrol of grain marketing prices and the transition from contracted grain purchasing to grain purchasing according to economic contracts. Changing contracted grain purchasing into grain purchasing according to economic contracts is an indicator that the province has made a bigger stride towards a market economy. However, grain purchasing according to economic contracts does not mean letting things slide. Both managers and producers are required to be aware of contracts and markets and to make concerted efforts to achieve their work.

ARATS Desires 'Positive' Talks With SEF

OW0211002393 Beijing XINHUA Domestic Service in Chinese 1544 GMT 1 Nov 93

[By reporters Sun Chengbin (1327 2110 2430) and Chen Jianshan (7115 1696 1475)]

[Text] Xiamen, 1 Nov (XINHUA)—A relevant official of the Association for Relations Across the Taiwan Strait [ARATS] said here today that ARATS hopes to work together with Taiwan's Straits Exchange Foundation [SEF] in striving for positive results in the upcoming working-level consultations.

The ARATS and SEF will begin the second working-level consultations in Xiamen on 2 November to discuss matters related to the implementation of the agreements reached at the "Wang-Gu [Ku] Meeting. Deputy Secretary General Sun Yafu and 13 other ARATS members arrived in Xiamen on 31 October, while Deputy Secretary General Xu Huiyou [Hsu Hui-yu] and nine other SEF members are scheduled to arrive this afternoon.

The official emphasized. The two organizations should conduct the upcoming working-level consultations in the spirit of "mutual respect and consultation on an equal footing, and of seeking truth from facts and seeking common ground while reserving differences"; and should strive to achieve positive results in the working-level consultations, so as to comprehensively implement the agreements reached at the "Wang-Gu Meeting," and to consolidate and develop the results of the meeting.

It is understood that the ARATS and SEF held the first working-level consultation after the "Wang-Gu Meeting" in Beijing from 30 August to 1 September.

Li Lanqing, Others Meet Industrial Delegation

HK0111141493 Beijing ZHONGGUO XINWEN SHE in Chinese 1314 GMT 22 Oct 93

[Text] Beijing, 22 Oct (ZHONGGUO XINWEN SHE)—When meeting a delegation of Taiwan industrialists headed by Hsu Sheng-fa, chairman of the Council of Taiwan Industrialists, She Jianmin, State Planning Commission vice minister, disclosed this afternoon that an investment policy intended to guide foreign investment in various trades and industries is being studied actively.

She Jianmin told the delegation details about the functions of the State Planning Commission and its part and role in building the socialist market economy and relevant industrial policies of the mainland. Moreover, he answered many questions raised by members of the delegation.

This morning, the delegation paid a call at the China Council for the Promotion of International Trade [CCPIT]. CCPIT President Zheng Hongye welcomed major Taiwan industrialists to invest on the mainland.

Hsu Sheng-fa said that Taiwan's future lies in the mainland, that the two sides of the Taiwan Strait aspire to development amid stability, and that it is beneficial for both sides to strengthen communication and cooperation and to enhance mutual trust and consensus. In response, Zheng Hongye

maintained that unsettled political issues between the two sides can be discussed without haste and that economic cooperation should start first.

Kao Ching-yuen, member of the delegation and president of Taiwan's TUNG I Group, said that considering that the two sides of the Taiwan Strait have been separated for more than 40 years and other political considerations, he hoped that the mainland authorities would pay special attention to handling the question of forged Taiwan trademarks, which are common at the present.

Other members of the delegation put forward ideas about unifying exchange rates, strengthening legislation, and allowing the sale of Taiwan products on the mainland.

State Council Vice Premier Li Lanqing met with Hsu Sheng-fa and his party this morning. The delegation visited the Ministry of Foreign Trade and Economic Cooperation and the Ministry of Machine-Building Industry today.

Zou Jiahua Meets Chemical Industry Delegates

OW0111131593 Beijing XINHUA in English 1257 GMT 1 Nov 93

[Text] Beijing, November 1 (XINHUA)—More than 300 businessmen from Taiwan and the mainland are gathering here to assess possibilities for cooperation in the chemical industry.

The '93 symposium on the chemical industries of both sides of the Taiwan Straits, sponsored by a subsidiary of the China Council for the Promotion of International Trade, opened here today.

This is the first such specialized meeting between mainland and Taiwanese counterparts. They are expected to detail the fields and projects for possible cooperation and exchanges of technology.

Meeting leading members of the Taiwanese delegation, Vice-Premier Zou Jiahua hoped the participants from both sides of the Taiwan Straits would carefully probe common ground and possibilities for cooperation.

He said that over the past few years exchanges had increased and those in specialized spheres tended to produce more concrete results.

Each of the two sides had its own advantages, Zou said, adding that their cooperation should "help putting together their advantages and playing them to the full."

"Pooling the strengths of both sides of the Taiwan Straits will create a substantive advantage in the world" for the Chinese people, Zou added.

Addressing the opening ceremony, He Guoqiang, vice-minister of the chemical industry, said it would make a perfect match to combine Taiwan's marketing ability, capital and application expertise with the mainland's manpower, fundamental research and project development.

He promised that the mainland would do its best to provide convenience and preferential treatment for partners from Taiwan and would abide by the treaty on "intellectual property."

Manufacturing of plastic, rubber and other chemical products has been the main sector for Taiwan investments—the number of registered enterprises rose to 631 in 1992 with total funds amounting to 200 million U.S. dollars.

During the four-day meeting, the participants are expected to discuss in groups the topics of science and technology, the chemical industry, trade, rubber and pesticides.

Economic Observation Group Tours Northeast

*OW2710142993 Beijing XINHUA in English 1356
GMT 27 Oct 93*

[Text] Shenyang, October 27 (XINHUA)—An economic and trade observation group from Taiwan is investigating the investment environment in northeast China's Heilongjiang, Jilin and Liaoning Provinces.

The 25-member-group represents over 20 Taiwanese enterprises in light industry, textiles, building materials, tourism and real estate.

After visiting Heilongjiang and Jilin, the group is now inspecting enterprises in Liaoning.

"After investigations in these three provinces, we can see great potential in economic development," said Zhang Rongfu, the leader of the group.

"We will explain investment possibilities to entrepreneurs in Taiwan, and encourage them to invest here," Zhang added.

Some contracts have already been signed between enterprises of the two sides during the investigation, according to Zhang.

The group went to Dalian, a coastal city in Liaoning, today.

According to official sources, more than 300 Taiwan-funded enterprises have been approved in Liaoning from January to September of this year, more than the total of the previous nine years.

Guangxi, Taiwan Businessmen Meet in Nanning

*OW2910131193 Beijing XINHUA in English 1237
GMT 29 Oct 93*

[Text] Nanning, October 29 (XINHUA)—About 250 businessmen from the Guangxi Zhuang Autonomous Region and Taiwan gathered in Nanning city, capital of Guangxi, for a conference to promote cooperation and exchange between industrial and commercial counterparts across the straits.

During the four-day conference which started on October 25, the two sides concluded 13 projects of intent with 20 million U.S. dollars from Taiwan businessmen.

The projects involve the development of forest products, sugar cane, aquatic production, and production of cement and marble.

During their stay in Nanning, the 40 Taiwan businessmen visited the Wuming overseas investment development district and attended the Beihai Pearl Festival.

Sponsored by the mainland's economic and trade coordination committee for the two sides of the straits and the Taiwan-based commercial and industrial coordination society committee across the straits, the conference is a biannual event.

In the first half of this year, the conference was held in Wuhan, capital of central China's Hubei Province.

GATT Envoy Arrives To Study Membership Bid

OW2710185193 Taipei CNA in English 1419 GMT 27
Oct 93

[By Sofia Wu]

[Text] Taipei, Oct. 27 (CNA)—Taiwan must remove regional restrictions on government purchases in order to facilitate its bid to join the General Agreement on Tariffs and Trade, British Ambassador to GATT Martin R. Morland said here Wednesday [27 October].

Morland, who also heads the GATT working party on Taiwan's membership application, made the statement while meeting with Economic Affairs Minister P.K. Chiang.

Morland expressed concern about Taiwan's restrictions on government procurement and agricultural trade. For example, Taiwan doesn't allow Japanese companies to fill government contracts because of Taiwan's huge trade deficit with Japan.

Chiang told Morland that as Taiwan is not as developed as Japan, it needs time to adjust its trade regime to meet all GATT requirements.

Morland arrived in Taipei earlier this week to see for himself Taiwan's current economic situation. He has met with Taiwan manufacturers and senior executives of Taipei-based foreign trade associations during the past few days.

Taiwan applied to join the world trade regulatory body in 1990 and was admitted as a GATT observer in September 1992.

Urges Ending Trade 'Protection'

OW2910143693 Taipei CNA in English 1351 GMT 29
Oct 93

[By Benjamin Yeh]

[Text] Taipei, Oct. 29 (CNA)—Taiwan, as it wishes, should be able to join the General Agreement on Tariffs and Trade because most of its trade measures now match the requirements set by the international trade regulatory organization, British Ambassador to GATT Martin R. Morland said here Friday [29 October].

Morland made the remarks while paying a visit to Huang Yen-chao, director-general of the Board of Foreign Trade.

Yet Morland, who heads the GATT working party on Taiwan's membership application, declined to specify when Taiwan would be admitted into the organization.

Taiwan has asked for a five-year grace period before it lifts the protection it gives its carmakers, which Morland said may be a stumbling block to GATT membership.

Morland arrived in Taipei earlier this week to study Taiwan's current economic situation. He has visited government agencies and foreign trade associations.

Taiwan applied to join the Geneva-based organization in 1990 and was admitted as an observer last year.

Taipei Considers Complying

OW0111171493 Taipei CNA in English 1416 GMT 1
Nov 93

[By Bear Li]

[Text] Taipei, Nov. 1 (CNA)—Taiwan's agriculture and auto industries would be hardest hit if imports from Japan are allowed into the country, according to the Ministry of Economic Affairs.

To meet the requirement of the General Agreement on Tariffs and Trade to accelerate Taiwan's entry into the world body, the government is considering lifting bans on certain imports from Japan and other countries.

The GATT working party on Taiwan's membership has so far held four discussions and many other GATT members have completed bilateral negotiations with Taiwan on its trade policies.

Most of these nations have expressed their concerns about Taiwan's government purchasing policy, its restrictive financial and service industries, bans on agricultural imports, and the existence of monopolistic businesses.

Japan particularly has voiced its dissatisfaction over Taiwan's trade barriers against it, including bidding for local infrastructure projects, and automobile, cigarette and agricultural imports.

Huang Yen-chao, director of the Board of Foreign Trade, has said the existing bans on imports from Japan and other countries will be lifted.

G-77 Vice Chairman From Pakistan Arrives

OW2810095493 Taipei CNA in English 0837 GMT 28
Oct 93

[By Y.C. Tsai]

[Text] Taipei, Oct. 28 (CNA)—Taiwan has become a model of successful economic development as evidenced by the Thursday [28 October] evening arrival of a ranking official from the Group of 77 (G-77).

G-77 vice chairman Tariq Sayeed will be accompanied during his visit by Tahir Khaliq, president of the Federation of Pakistan Chambers of Commerce and Industry.

The G-77, established in 1964 by 77 developing countries, negotiates with industrialized countries to win trade benefits for group members. The most distinguished one is the Generalized System of Preferences.

Trade sources said the coming of the two Pakistani guests will help establish a communication channel between Taiwan and the G-77.

In addition, the sources noted, Taiwan is considering helping the group set up a trade information network.

During their stay here, Sayeed and Khaliq will visit the Ministry of Economic Affairs, the China External Trade Development Council, the Chinese National Association of

Industry and Commerce, the Chinese National Federation of Industries, and the General Chamber of Commerce of the Republic of China.

Economic Affairs Minister P.K. Chiang will entertain them at a dinner party Friday.

Commerce Delegate Returns From Meeting in Japan

OW2910094693 Taipei CNA in English 0749 GMT 29 Oct 93

[By Debbie Kuo]

[Text] Taipei, Oct. 29 (CNA)—Gaishi Hiraiwa, chairman of Keidanren, one of the most influential economic organizations in Japan, will visit the Republic of China [ROC] in November, a Taiwan business leader said Thursday [28 October].

Ku Chen-fu, chairman of the Chinese National Association of Industry & Commerce, said Hiraiwa accepted Ku's invitation during a meeting in Tokyo on Wednesday and promised that he will visit Taipei November 10-12.

Ku, who has just returned from the 18th Taiwan-Japan Economic Cooperation Conference, said Hiraiwa will meet with economic and political leaders in Taiwan for talks on the persistent trade imbalance between the two countries.

Hiraiwa told Ku that he personally supports the ROC's bid to join the General Agreement on Tariffs and Trade (GATT), Ku added.

Hiraiwa is an important figure in Japan's business and industrial circles. The Hosokawa administration, impressed with Hiraiwa's personal experience and charisma, invited him to chair the cabinet economic reform committee.

Ku said he also met with Hiroshi Kumagai, minister of International Trade and Industry of Japan during his visit in Tokyo.

French Institute Opens Nuclear Consulting Group

OW0111145993 Taipei CNA in English 1407 GMT 1 Nov 93

[By Debbie Kuo]

[Text] Taipei, Nov. 1 (CNA)—The French Institute in Taiwan (FIT), which represents French interests in Taiwan, has set up a nuclear consulting group in a bid to win contracts to supply equipment for Taiwan's nuclear power plants.

Taipower is expected to soon open up international bidding for equipment needed in the fourth nuclear power plant, which includes reactors and other facilities.

Gerard Gourievidis, a veteran nuclear power engineer with Framatome, a noted builder of nuclear power plants, has been appointed the first nuclear consul at fit.

Gourievidis, who assumed his Taipei post recently, said a Framatome-designed nuclear power system exclusively prepared for Taipower would have an installed capacity of 2.75 billion megawatts per hour.

Framatome is helping to build the Taya Bay Nuclear Power Plant near Shenzhen in southern China, Gourievidis said. The Taya plant will have an installed capacity of 2 billion megawatts per hour when completely finished.

All reactors installed in Taipower's three nuclear power plants were built by General Electric Co. of the United States.

A great number of other foreign companies, including Westinghouse and Toshiba, are also expected to bid for contracts for the fourth nuclear power plant.

Latvia Agrees To Sign Investment Protection Pact

OW2810093293 Taipei CNA in English 0842 GMT 28 Oct 93

[By C.L. Ou and Danielle Yang]

[Text] Riga, Oct. 27 (CNA)—Latvia has agreed to sign an investment protection agreement with the Republic of China [ROC], Consul-General of the ROC in Latvia Kenan K.H. Chang said Wednesday [27 October].

The agreement will help boost Taiwan's investment in the country, Chang said.

The ROC and the European Bank for Reconstruction and Development (EBRD) will jointly offer a U.S.\$12 million credit for the modernization of Riga airport as a first step in promoting investment in the Baltic state.

Other investment promotion projects will target the timber and automobile assembly industries, he added.

Last year, a total of 23 Latvians visited Taiwan to improve their professional skills in fields such as business management, trade promotion, communications, medicine, and linguistics, Chang said, adding that Taiwan also appropriated U.S.\$12 million to train the professionals.

In addition, Taiwan also offered U.S.\$1 million in medical supplies and U.S.\$10 million worth of fuel to Latvia.

To encourage Taiwan investments in Latvia, five projects initiated by the Baltic States Culture and Economic Association in Taipei have been launched, including steel production and garment manufacturing, Chang said.

The Republic of China also hopes Latvia can help Taiwan enter the United Nations, the General Agreement on Tariffs and Trade (GATT), and the International Monetary Fund (IMF), Chang added.

Hungarian Delegates Arrive for Investment Talks

LD2710164793 Budapest MTI in English 1614 GMT 27 Oct 93

[Text] Budapest, October 27 (MTI)—Deputy State Secretary of the Ministry of International Economic Relations, Istvan Major, and the Director-General of the Hungarian

Investment and Trade Development Co. Frigyes Banki, held talks in Taiwan on investment opportunities in Hungary.

During a seminar organized by the China External Trade Development Council, they outlined investment opportunities in Hungary and benefits granted to foreigners.

They also held talks on boosting trade with the head of Taiwan's Foreign Trade Office and proposed a fund to promote joint ventures and industrial parks in Hungary with Taiwanese participation.

Saudi Arabia To Cooperate on Products Inspection

OW0111121293 Taipei CNA in English 0756 GMT 1 Nov 93

[By Kuo Ping-ying and Danielle Yang]

[Text] Riyadh, Oct. 30 (CNA)—Saudi Arabia is strengthening cooperation with the Republic of China [ROC] on commercial products inspection. ROC officials stationed in Riyadh said Saturday [30 November].

Under the improved cooperation program, Taiwan products can be directly reexported to other Persian Gulf countries only if the products have passed inspection in Saudi Arabia, the officials said.

Cooperative relations on commercial products inspection have been established after many rounds of consultations were held between Taipei and Riyadh, officials added.

Saudi Arabia said it will also consult with Gulf Cooperation Council (GCC) member countries to allow Taiwan products to be reexported to those countries directly from Saudi Arabia.

GCC groups Kuwait, Bahrain, Qatar, Oman, the United Arab Emirates, and Saudi Arabia. Saudi Arabia is the ROC's largest trading partner in the Middle East.

Omani Official Attends Trade Seminar in Taipei

OW2710144093 Taipei CNA in English 1415 GMT 27 Oct 93

[By Sofia Wu]

[Text] Taipei, Oct. 27 (CNA)—Oman welcomes Taiwan investment, a visiting official from the Middle East country said Wednesday.

Khamis bin Mubarak al-Kiyumi, Oman's vice minister of industry and commerce, made the statement during a seminar on Oman's investment climate.

The seminar was jointly sponsored by the Oman Commercial Office in Taipei and the China External Trade Development Council.

Al-Kiyumi said Oman is developing textile, footwear, food, and electronics industries and wants foreign investment. "We offer a five-year tax break and many other financial incentives for foreign investors," he explained.

Oman is Taiwan's second largest oil supplier after Saudi Arabia. Oil accounted for 95 percent of Taiwan's US\$360 million imports from Oman in 1992.

Oman is actively courting Taiwan investors with a view to expanding trade between the two countries. It is Taiwan's fourth largest trading partner in the Middle East.

Al-Kiyumi, heading a trade mission, arrived in Taipei early Wednesday morning for a five-day visit.

Mexican Bank Delegate Signs Trade Agreements

OW2610092393 Taipei CNA in English 0826 GMT 26 Oct 93

[By Y. C. Tsai]

[Text] Taipei, Oct. 26 (CNA)—Mexico's National Bank of Foreign Trade on Tuesday entered into respective agreements with the China External Trade Development Council (CETRA) and the Economics Ministry's Industrial Development and Investment Center (IDIC) to boost trade and investment cooperation.

Jose Angel Gurria, governor of the Mexican state-run bank, signed the two pacts with CETRA Secretary-General Augustin Liu and IDIC Director-General Ricky Y.S. Kao respectively.

Addressing the ceremony, Liu lauded Mexico as a model of trade industry development for other Central American countries.

"The accords sealed here today will certainly help strengthen cooperative ties between Taiwan and Mexico," he noted.

Kao pointed out the two agreements are a great boon to investment and technology exchanges between the two countries, adding Mexico could serve as a gateway for Taiwan investors to make inroads into the Central American market.

Stressing the accords mark the establishment of a communication channel, Gurria said the trade and investment relationship will be mutually beneficial and help improve product quality and living standards in both countries.

For instance, he added, two-way trade between Mexico and European countries jumped by 50 percent following the signing of similar agreements.

Taiwan manufacturers have been keeping an eye out for economic trends in Mexico, which is grouping with the United States and Canada to enter into the North American Free Trade Agreement.

Currently, 11 Taiwan enterprises have opened factories in Mexico, with each investment ranging between US\$300,000 and US\$500,000. Another seven companies have set up offices there.

Delegates Discuss Migration at Cross-Strait Talks

OW0211111393 Taipei CNA in English 0835 GMT 2 Nov 93

[By Huang Hui-min and Sofia Wu]

[Text] Xiamen, Nov. 2 (CNA)—Negotiators from the two sides of the Taiwan Strait began a new round of talks in Xiamen, Fujian Province Tuesday [2 November].

After hours of talks, the two sides tentatively agreed that illegal Mainland Chinese immigrants can be repatriated via air.

At present, mainland stowaways are repatriated by sea from the offshore island of Matsu.

During the talks, the mainland delegates suggested that stowaways be sent back from Taiwan's Keelung and Hsinchu ports. Taiwan representatives said the proposal needs further study because it involves many complicated problems.

The Taiwan delegation is being headed by Hsu Hui-you, deputy secretary-general of the Straits Exchange Foundation, while Sun Ya-fu, deputy secretary-general of the Beijing-based Association for Relations Across the Taiwan Strait, is the chief mainland negotiator.

The talks are expected to continue for the next few days on such issues as cross-strait fishing disputes and simplification of procedures for personnel of the two intermediary organizations to exchange visits.

Law Changes To Allow Mainlanders To Be Heirs

OW2910101793 Taipei CNA in English 0742 GMT 29 Oct 93

[By Lillian Lin]

[Text] Taipei, Oct. 29 (CNA)—Mainland Chinese are legitimate heirs of family members or relatives on Taiwan and are entitled to inheritance, according to revisions in the statute which governs relations between people on both sides of the Taiwan Strait.

Under the new provisions, civil servants, servicemen and those retired from civic service who remained single after coming to Taiwan will be allowed to list mainland relatives as heirs.

In addition, the revisions allow handicapped veterans to continue receiving pensions even if they resettle on the mainland.

The revisions reflect a much more lenient attitude toward cross-strait relations than previous legislation. However, penalties for those who assist mainland stowaways will increase.

The great number of mainland stowaways in Taiwan detention houses has caused problems for Taiwan authorities. The revised statute suggests that detainees could be put to work during their detention.

In addition, the statute no longer regulates cross-strait trade and penalties for irregularities in cross-strait commercial activities will be reduced to small fines.

The only controversial part of the revised statute is the addition of penalties for subversive activities by mainlanders as suggested by the National Security Bureau. Many worried about public reaction to the bureau's involvement in cross-strait relations. The security agency argued that the matter is closely related to cross-strait relations.

Survey Shows Interest in Mainland Investment

OW2910094793 Taipei CNA in English 0802 GMT 29 Oct 93

[By Flor Wang]

[Text] Taipei, Oct. 28 (CNA)—Almost seven out of every 10 local companies which have expanded in the past three years have expanded into Mainland China, according to a survey released Wednesday [27 October] by the Ministry of Economic Affairs.

The ministry had expected a much lower figure.

The survey shows that about 22 percent of the companies surveyed said they had expanded their businesses in the past three years, while 31 percent said they would do so in the near future. About 47 percent admitted to having no investment plans.

Of the companies that have expanded, an astonishing 82.25 percent of them have poured money into other countries. Of these, 77.42 percent chose the mainland—that is, 63.67 percent of all companies that have expanded in the past three years have expanded into Mainland China.

Of the companies who have expanded in the past three years, 44 percent said they had done so both at home and abroad.

Chien Fu on Willingness To Join World Community

OW3010092893 Taipei CNA in English 0818 GMT 30 Oct 93

[By Sofia Wu]

[Text] Taipei, Oct. 30 (CNA)—The Republic of China [ROC] has the strength and the will to participate in international activities and fulfill its obligations as a member of the world community, Foreign Affairs Minister Chien Fu said Saturday [30 October].

Addressing the opening ceremony of a seminar on the ROC's role in the world society, Chien said the ROC's status in the international arena is a matter that demands global attention.

"It not only involves the fundamental rights of the 21 million people under the jurisdiction of the ROC Government, but exerts a tremendous impact on the development of East Asian and international situation as well," Chien noted.

He regretted the ROC has not been accorded the proper treatment in the world society that it deserves. The ROC has been excluded from the United Nations and its various

specialized agencies and banned from taking part in important international conventions.

Chien pointed out that the main obstacle to the ROC's international presence is Communist China, which proclaims that there is only one China and that the Communist Government is the sole legal government of China. "This petrified stance totally ignores the current reality," he stressed.

Since its establishment in 1949, Chien said, Mainland China has never exercised jurisdiction over any part of the territory of Taiwan, Penghu, Kinmen and Matsu. "Therefore, Mainland China has no right whatsoever to represent us in the international community," he explained.

The minister further said the ROC is seeking to join the UN in order to safeguard its right to represent the 21 million Chinese in the Taiwan, Penghu, Kinmen and Matsu areas and the right to take part in international organizations and activities on an equal footing with other countries.

More than 40 academics and retired ambassadors from Japan, South Korea, the United States, France, Russia, Brazil, Austria and the ROC are participating in the two-day meeting at the Grand Hotel in Taipei.

A total of 33 papers will be presented and discussed in the seminar sponsored by Chinese Culture University.

Candidates Register for Government Elections

OW3010093993 Taipei CNA in English 0752 GMT 30 Oct 93

[By Sofia Wu]

[Text] Taipei, Oct. 30 (CNA)—A total of 77 hopefuls registered to run in the Nov. 27 elections for the top city and county government posts in Taiwan and Fukien Provinces.

Of the 43 Kuomintang [KMT] members who registered for the city mayoral and county magistrate elections, 27 were either nominated or recommended by the party, while the remaining 16 registered their candidacy against the party's wishes. Three of the KMT mavericks even withdrew from the party to show their determination to run.

The opposition Democratic Progressive Party (DPP) nominated 21 candidates and one other member defied the party's order to register his candidacy.

The Chinese New Party, a KMT splinter group facing its first elections, fielded two candidates, while the remaining 10 registered as independents.

The 77 hopefuls will be competing for 18 county magistrate seats and 5 city mayorships. Four candidates will be running for leadership of the offshore Kinmen and Lienchiang counties in Fukien Province. This marks the first time the top local government posts in the two counties are open for election.

Seventeen incumbents are seeking a second term, including Taipei County Magistrate You Ching, Chiayi County Magistrate Chen Shih-yung and Tainan City Mayor Shih Chih-ming.

Competition in several areas, such as Taipei, Pingtung, Kaohsiung, Chiayi and Yunlin counties as well as Tainan and Hsinchu cities, is expected to be very fierce.

KMT Deputy Secretary-General Hsieh Shen-shan said he believes the ruling party will win in more than 10 counties and cities.

Another KMT official, who preferred anonymity, said the party targets to win in at least 13 counties and cities.

On the other hand, DPP officials said they are confident the opposition party can win more than half of the seats up for grabs.

The official campaign period will begin Nov. 17 and last through Nov. 26.

Poll Shows Voter Preferences

OW0111171593 Taipei CNA in English 1423 GMT 1 Nov 93

[By Benjamin Yeh]

[Text] Taipei, Nov. 1 (CNA)—Less than a quarter of voters said they would choose candidates nominated by the ruling Kuomintang [KMT] during the Nov. 27 elections, according to a survey released Monday.

The Gallup poll survey of 1,552 citizens aged over 20 was conducted Oct. 23-29. The margin of error is plus or minus 2.5 percent.

Only 24.9 percent of those polled said they would vote for KMT candidates if elections for the top city and county government posts were held today.

The same poll in 1991 showed 41 percent of respondents favoring the KMT, and in 1992, 26 percent.

But only 9.4 percent said they would vote for candidates of the Democratic Progressive Party, Taiwan's largest opposition party, and 4.6 percent for the Chinese New Party. About 28 percent said they wouldn't take a candidate's political party into consideration when voting. About 33 percent was undecided.

A total of 77 candidates have registered to compete for 18 county magistrate seats and five city mayorships in the Nov. 27 elections.

'Majority' Wants Presidential Election Moved Up

OW0111171893 Taipei CNA in English 1433 GMT 1 Nov 93

[By Bear Li]

[Text] Taipei, Nov. 1 (CNA)—A majority of voters support the proposal to move up the scheduled 1996 presidential election to 1994, according to the results of a survey.

Gallup Poll conducted the random telephone survey of 1,552 voters between Oct. 23-29. The poll has a margin of error rate of plus or minus 2.5 percent.

Almost 60 percent of the respondents favored moving up the presidential election to the end of next year. Only 22.3 percent of the respondents opposed the proposal.

President Li Teng-hui's current tenure will expire in May 1996.

About 41 percent of the respondents said they want Li, who is also chairman of the ruling Kuomintang [KMT], to remain as president in 1996. Ling Yang-kang, president of the Judicial Yuan and concurrently KMT vice chairman, was the second most popular choice, at 17.26 percent, followed by Jaw Shau-kong, a legislator and one of the co-founders of the New Party, with 7.63 percent.

Hsu Hsin-liang, chairman of the main opposition Democratic Progressive Party, and Shih Ming-teh, a leader of the party, won the support of 1 percent and 0.9 percent of the respondents, respectively.

Most of the respondents favoring Li were aged between 50 and 59 while most of those backing Lin were between 20 and 29 years of age.

Meanwhile, 73 percent of the respondents gave their approval to Presidential Li's performance, a drop of 5.6 percent compared with a similar poll conducted in May. The approval rate for Premier Lien Chan increased 18 percent to 64.8 percent.

Hong Kong

Daily Publishes Deng's 1984 'Talk' With Howe

HK0211055093 Hong Kong TA KUNG PAO in Chinese
2 Nov 93 p 2

["Part" of a "talk" by Deng Xiaoping to then UK Foreign Secretary Geoffrey Howe on 31 July 1984: "We Pay Close Attention to Hong Kong's Transitional Period"]

[Text] The concept of "one country, two systems" did not take shape today; instead, it took shape several years ago, mainly after the Third Plenary Session of this party's 11th Central Committee. The concept was formed in order to enable China to solve the Taiwan issue and the Hong Kong issue. The socialist system on the mainland with 1 billion people will not be changed, not ever. However, according to the historical and current conditions of Hong Kong and Taiwan, without guaranteeing the continuing operation of the capitalist system in Hong Kong and Taiwan, we will not be able to maintain their prosperity and stability, nor can we realize the peaceful reunification of the motherland. Therefore, on the Hong Kong issue, we took the initiative in promising to guarantee that its current capitalist system and lifestyle will remain unchanged for 50 years after 1997.

Frankly speaking, on the Hong Kong issue, we are paying close attention to the transitional period over the next 13 years. As long as proper arrangements are made for the transitional period, we will not be worried about things after 1997. We hope that the following situations will not appear in Hong Kong during the transitional period.

First, we do not want to see the status of the Hong Kong currency shaken. How much Hong Kong currency is now in circulation? Hong Kong currency has a good reputation because of the substantial financial reserves, which are greater than the volume of currency in circulation. This situation should not be changed.

Second, we agree to grant land leases for 50 years after 1997, and agree that the British Hong Kong Government has the right to use income from land sales. However, it is hoped that this income will be used for Hong Kong's capital construction and land development rather than covering administrative expenditure.

Third, it is hoped that the British Hong Kong Government will not recklessly [sui yi 7151 1942] increase the number of civil servants and their salaries and pensions, because that would add to the burdens on the future government of the Special Administrative Region.

Fourth, it is hoped that the British Hong Kong Government will not unilaterally set up a governing body [zi gao yi tao ban zi 5261 2269 0001 1152 3803 1311] in the transitional period in order to impose it on the future Hong Kong SAR Government.

Fifth, it is hoped that the British Hong Kong Government will persuade people in the relevant quarters not to allow British capital to take the lead in moving out of Hong Kong.

We hope that no trouble will occur during the transitional period, but we must also make preparations against the

appearance of certain problems that are independent from our wishes. In the future, the two countries, China and the United Kingdom, should carry out better cooperation.

At present, agreement has been basically reached in the talks between the Chinese and British Governments on the Hong Kong issue. I am confident that "one country, two systems" will be applicable. This matter will evoke favorable repercussions in the international community and will set a good example for settling problems left over from history among various countries. When putting forth the concept of "one country, two systems," we also considered what methods should be used to settle international disputes, because many knotty troubles still exist in the world. In my view, some international disputes can be settled if this method is adopted. What we tried to do was to seek a solution acceptable to all of the parties concerned in order to solve the problem. In the past, the outbreak of many disputes has led to armed conflict. If a fair and reasonable solution could be adopted, then flash points could be removed and the international situation would be better stabilized.

Lu Ping Discusses UK Talks, Pending Issues

HK0211010093 Hong Kong WEN WEI PO in Chinese
29 Oct 93 pp 11, 12

[Dispatch by staff reporter Chen Chien-ping (7115 1696 1627): Lu Ping Says That Chinese Side Has Made Great Concessions, and Hopes Agreement Can Be Reached as Soon as Possible"]

[Text] Beijing, 28 Oct (WEN WEI PO)—Lu Ping, director of the State Council Hong Kong and Macao Affairs Office, said here today that the Chinese side had made great concessions on the basis of the "three conformities" so that an agreement could be reached in the Sino-British talks as soon as possible. At the same time, he indicated that the new Hong Kong airport issue had absolutely nothing to do with the talks on constitutional reform. He believed the new Hong Kong airport certainly would be built under the guidance of the Memorandum of Understanding on the New Airport.

Lu Ping said he had been optimistic about the Hong Kong issue all along.

At the Diaoyutai State Guest House this afternoon, Ji Pengfei, Lu Ping, and Chen Ziyang met a delegation from Hong Kong's Caritas Medical Center which is visiting Beijing. It is headed by Wang Tzu-mu (3769 1311 3092). While answering the guests' questions, Lu Ping said that the Chinese side would do its best to reach an agreement because the Chinese side knew that the effects on Hong Kong would be different depending on whether an agreement is reached. Reaching an agreement would be more helpful to a stable transition. At present, the difficulties in reaching an agreement remain great, but the Chinese side will exert great efforts to reach an agreement. Why? Because the Chinese side would take a farther and more comprehensive view of the Hong Kong issue. The British only have three years, but China will bear long-range responsibility for scores of years and over a century, and will make the realization of the "one country, two systems" in Hong Kong a success, while maintaining Hong Kong's prosperity and

stability under the prerequisite of "one country, two systems." It was precisely based on such considerations that the Chinese side hoped to cooperate with the British side economically, as well as politically, to ensure Hong Kong's stable transition; that was the purpose of the Chinese side's efforts.

Lu Ping said that the 15th round of talks could not be said to have been a failure, for some progress was made, but there remains arduous work to reach an agreement. He believed that there should not have been any problem on the issue of Hong Kong's constitutional system, regarding which stipulations have been made in the Basic Law and its Annex, as well as related decisions of the National People's Congress. Furthermore, in the formulation of the Basic Law, the Chinese side constantly consulted the British side. For example, the electoral method for functional constituencies written in the Basic Law was actually the British side's suggestion, which believed that such a method would be helpful for absorbing the elite of the community. The question today is that the Basic Law has been adopted by the NPC, with the British side's suggestion included. Nevertheless, Chris Patten set out a constitutional reform package while giving no consideration to the plan in the Basic Law or to the agreements and understanding reached between the foreign ministers of the two countries. Chris Patten means to set up another kitchen and go his own way. Now the Chinese side has said that talks must be conducted on the basis of the "three conformities." Without such a basis, it would be the way of some politicians, who would say things are white one day, but black the very next; who would talk about one idea one day, but about quite another new one the very next day. Under such circumstances, there would be no principle to speak of. This being the case, it was imperative to adhere to the "three conformities" principle; otherwise talks would be impossible.

Lu Ping said that from the angle of the Chinese Government, it must stick to principle, and this point would never be changed. However, the Chinese Government has been very flexible regarding specific issues; the Chinese have made very great concessions in order to reach an agreement. For instance, under conditions of Chris Patten's setting out a "three-violations" constitutional reform package, the fact that the Chinese side agreed to talk was a very great concession in itself. The Chinese side may not want the talks, and Chris Patten could go his own way; he may not want to observe the agreements and law, but the Chinese side will. When 1 July 1997 arrive, the Chinese side will act simply according to the stipulations in the Basic Law. The Chinese Government will do nothing to break the law, but taking into consideration Hong Kong's long-term interests, the Chinese side agreed to talk, and did not stop at that, but worked hard in all sincerity in order to resolve problems, and strove for an early agreement.

Lu Ping indicated that to work hard to reach an agreement has been the Chinese side's wish and efforts, but things will not be solved simply by relying on unilateral willingness, but depend on whether or not the British side adopts a cooperative attitude with sincerity. This being the case, the Chinese side has made preparations for either success or failure

of the talks. No matter what the results are, the Chinese side will maintain Hong Kong's prosperity and stability, and will strive for a stable transition.

Lu Ping said that from the Chinese side's angle, it did not hope that political issues would affect economic ones, but, objectively, it would be very difficult for them to have no effect at all. For example, should an agreement fail to be reached on the constitutional reform package, that would at least prove that the British side is to adopt an attitude of confronting the Chinese side on political issues in the next three years. In such a political climate, will investors not be affected? It will be very difficult to be free from any effects. Under circumstances of no agreement being reached, what will become of Hong Kong's economy in the next three years? The British side must bear responsibility should any problems occur. Regarding the Chinese side, it certainly will do its best to reduce the effects to the minimum.

When the guests asked about the connection between the airport issue and the talks on constitutional reform, Lu Ping said that the new airport issue had nothing to do with the constitutional reform talks, and that the two issues were separate. The fact that a solution to the new airport issue is still pending today does not result from the fruitless constitutional reform talks, but from the great gap between the new financial arrangement set out by the British Hong Kong Government and the Memorandum of Understanding on the New Airport signed by China and the United Kingdom and the fact that the arrangement has far exceeded the stipulations in the Memorandum of Understanding. From the angle of the Chinese side, it has to bear responsibility for the future Special Administration Region (SAR) Government, but not fight the British side for money. The money belongs entirely to Hong Kong, and the central government would not get a cent from it. The Chinese side simply thought of laying a sound foundation for the SAR's finances. Should the SAR financial reserves have shrunk greatly by 1997, with the surfacing of deficits, the burden on the SAR's finances would only fall on every Hong Kong resident. Consider the airport railway, for instance: Its budget is incompatible with the economic returns. Chris Patten made a point in his own address: The building of the airport railway would be contracted by the Mass Transit Railway (MTR) Company, and would be under its administration in the future. The MTR Company said the return rate of the airport railway should not be under 10 percent; otherwise, the company would not take up its operation. A calculation showed that it would be far below 10 percent. Under such circumstances, the MTR's profits would be spent subsidizing the airport railway. Should that be true, would the MTR be capable of its own development? If so, where would the money come from? The Chinese side believed that this was not the solution. This is just one of the examples. This being the case, the airport issue has nothing to do with the success or failure of the talks on constitutional reform, the crux lies in the too-high cost, but too-low economic returns in the plan for the airport's financial arrangements. The Chinese side will continue to conduct talks with the British side, and hopes for an agreement as early as possible.

Lu Ping said that he believed Hong Kong's new airport certainly would be built, and that the Chinese side would

work hard to achieve its completion with low cost and high economic returns, while refraining from causing a burden to the SAR Government, as mentioned in the Memorandum of Understanding. Lu Ping indicated that it was believed that beginning now, that point could be achieved regarding Hong Kong Government's financial reserves, with more investment from the public, but fewer loans. There should be no problem in doing so.

The guests then asked what the Chinese Government is doing for the recovery of Hong Kong in three years. Lu Ping said that much work needed to be done. First, in Hong Kong, the hinterland and even overseas, it is imperative to propagate the Basic Law extensively so that everyone may have a clear picture of the basic essences of the Basic Law, and so that people may genuinely see that the intention of the Chinese Government in formulating the Basic Law—which involved the mobilization of so many people, such a great sum of money, and such a long time—lies precisely in implementing it in a down-to-earth manner, and not just paying lip service to it.

Lu Ping said: The Preliminary Work Committee founded not long ago was precisely to do voluminous preparatory work, especially in laying a foundation and making proposals for the founding of the Preparatory Committee of the Hong Kong SAR in 1996.

At the request of the guests, Lu Ping also talked about macroeconomic regulation and control, as well as salary of civil servants in the hinterland during the talks. In the wake of the talks, Ji Pengfei gave a dinner party in honor of the delegation that is visiting Beijing.

Taiwan Envoy 'Disappointed' by Beijing Stance

HK2910081693 Hong Kong AFP in English 0801 GMT 29 Oct 93

[Text] Hong Kong, Oct 29 (AFP)—Taiwan's de facto consul-general in Hong Kong, in a rare public speech, criticized China on Friday for its hardline stance in negotiations with Britain on pre-1997 electoral reforms for the colony.

"Personally, I'm disappointed," said John Ni when asked at a Foreign Correspondents' Club luncheon for Taiwan's perspective of the talks, which have made no real progress since they began six months ago.

Since China is proposing to Taiwan the same "one country, two systems" formula that is to apply in Hong Kong after 1997, Beijing could have used the talks as a show of its good faith to the Nationalist-ruled island, he said.

"But during 15 rounds of talks, apparently they haven't taken this into consideration... Frankly, we are very much concerned," he said.

Under the "one country, two systems" formula, Hong Kong is to retain its capitalist system, plus a "high degree of autonomy" from Beijing, for at least 50 years after its return to Chinese sovereignty.

Mainland China is offering the same concept to Taiwan as a step towards reunification, but Taipei—which disputes Beijing's claim to be the legitimate ruler of all China—is flatly opposed.

Instead, it suggests what Ni termed "one country, one good system," built on democratic institutions and multi-party elections throughout China.

Ni, a foreign ministry appointee and Nationalist Party central committee member, heads Taiwan's de facto consulate in Hong Kong, the Chung Hwa Travel Agency, whose main public function is issuing visas.

In deference to Beijing, the British colonial administration has long forced Taiwan organizations to keep a low profile in Hong Kong, though political analysts say Governor Chris Patten has eased the policy somewhat.

Hong Kong is by far the biggest funnel for Taiwan investment in Mainland China, which now totals about 10 billion U.S. dollars.

Ni also said the success of talks next Tuesday [2 November] in Xiamen, southeast China, on closer mainland-Taiwan relations will hinge on whether the Beijing side will keep the discussions to existing agreements.

The talks, between Taipei's Straits Exchange Foundation and Beijing's Association for Relations Across the Taiwan Strait, began in April in Singapore to lay the groundwork for future bilateral relations.

Chamber of Commerce Youth Group Visits Beijing

Meets Wang Zhaoguo

OW0111012393 Beijing XINHUA Domestic Service in Chinese 0828 GMT 28 Oct 93

[By reporter Li Zehong (2621 2344 4767)]

Beijing, 28 Oct (XINHUA)—Wang Zhaoguo, vice chairman of the Chinese People's Political Consultative Conference National Committee and director of the United Front Work Department of the CPC Central Committee, met here today with members of a visiting group from the Youth Committee of the Hong Kong Chinese Chamber of Commerce. He also posed for pictures with them.

After extending a welcome to the group of old friends and new acquaintances, Wang Zhaoguo urged them to visit the mainland as often as possible, to see with their own eyes and to better understand China's reform and opening up, as well as its progress in the economy, culture, science and technology, and education.

He said: The All-China Federation of Industry and Commerce and the Hong Kong Chinese Chamber of Commerce have maintained close and regular contact, exchanging visits and supporting and assisting each other. The visiting group includes quite a few prominent young and middle-aged Hong Kong entrepreneurs. They and their parents are valuable friends of the Federation of Industry and Commerce, who have made contributions to Hong Kong's

smooth transition and the mainland's reform and opening up, as well as to the economic cooperation and public welfare of the two places. Wang Zhaoguo called on the Hong Kong entrepreneurs to further develop the close ties between the Federation of Industry and Commerce and the Chamber of Commerce, and to play a bigger role in Hong Kong's present and future.

He also briefed the visiting group on economic and cultural exchanges across the Taiwan Strait, and between the mainland and Hong Kong.

The group arrived in Beijing at the invitation of the All-China Federation of Industry and Commerce. Jing Shuping, chairman of the Federation, and Jiang Minkuan, deputy director of the United Front Work Department were present at the meeting.

Sees Qian Qichen

OW 0111022093 Beijing XINHUA Domestic Service in Chinese 0945 GMT 28 Oct 93

[By reporter Li Zehong (2621 2344 4767)]

[Text] Beijing, 28 Oct (XINHUA)—This morning, Qian Qichen, vice premier of the State Council, met with a 32-member delegation of the Youth Committee of the Hong Kong Chinese Chamber of Commerce.

Vice Premier Qian Qichen welcomed the delegation on their visit to the mainland. After explaining the mainland's economic situation over the past several months, Qian Qichen said: In recent years, contacts between Hong Kong and the mainland have been increasing and economic relations have become closer. Hong Kong's prosperity and stability rely on the mainland's support, while the mainland's economic development also depends on Hong Kong which is an international trade, financial, and shipping center. Qian Qichen said: The mainland is a huge market. There is great potential for economic cooperation between Hong Kong and the mainland. Each can supply what the other needs on a mutually beneficial basis. He hoped young members of Hong Kong Chinese Chamber of Commerce will play an active role in further promoting economic cooperation, exchanges, and mutual understanding.

The delegation is led by Hu Jingchang and Huo Zhenhuan. Many members of the delegation are descendants of noted businessmen in Hong Kong and some of them are outstanding and young middle-aged entrepreneurs.

Jing Shuping, chairman of the All-China Federation of Industry and Commerce, and Jiang Minkuan, deputy head of the United Front Work Department of the CPC Central Committee, participated in the meeting.

District Board Leaders 'Pressure' UK on Reform

HK2810052693 Hong Kong THE STANDARD in English 28 Oct 93 p 1

[By Rain Ren in Beijing and M Y Sung]

[Text] Britain and China remain deadlocked over Hong Kong's political future, offering little hope of reaching agreement during the crucial 15th round of Sino-British talks.

The British side has come under increasing pressure to back down on plans to abolish the controversial appointment system for district boards, a major stumbling block in the talks.

Hong Kong's 18 district board leaders yesterday made a unified call for Britain and China to resolve their difference on the 1994-95 electoral arrangements.

They joined China in attacking British proposals to abolish the appointment system.

At the end of the first day of the talks in Beijing, British Ambassador to Beijing Sir Robin McLaren said a "substantial gap" remained between the two sides.

"My view, as I've said before, is that we need more progress and we haven't had enough at the moment," he said.

"I won't say there has been absolutely no movement at all, but what we are seeking is movement in crucial areas," McLaren said. China still insisted that the appointment system applying to the district boards and municipal councils be retained.

"There is no reason why they should not agree to the abolishing of those (appointed) seats," McLaren said.

"The appointed seats have, over the years in successive elections, gradually been phased out.

"Now we have reached a point where there are not many of them left and the next logical thing to do is to abolish the remaining ones."

Although Britain was hopeful of an agreement on the 1994 district board elections, little progress was made yesterday.

China opposed the proposal, saying it was the same as the one presented by Governor Chris Patten.

Sources in Beijing said Chinese officials had also failed to reach consensus on whether the appointment system should be retained.

Another crucial stumbling block is Britain's insistence on the through-train, which would allow legislators elected in 1995 to remain in power after 1997.

Both Britain and China face pressure to make progress ahead of a meeting in London next month which could decide to abandon talks altogether.

District board leaders opposed Patten's negotiation plan and urged Britain to split talks on electoral arrangements for the 1994 district board polls and 1995 Legislative Council elections.

Daniel Lam, speaking for 18 of the 19 district board leaders, said arrangements for the 1994 elections had to be in place by the end of the year. "Otherwise, it would be unfair to the candidates who prepare to run for the election," Lam said. The district boards were unified in their opposition to Britain's proposal to cancel the appointment system.

Chinese Vice-Foreign Minister Jiang Enzhu said yesterday's talks made progress but remained difficult. He urged the British side to demonstrate sincerity by acting in accordance with the three principles.

The 15th round will end today. A 16th round could be held before the British cabinet meets next month to decide if the talks should be abandoned.

Hong Kong To Expatriate All Vietnamese Migrants

OW2910130493 Beijing XINHUA in English 1233
GMT 29 Oct 93

[Text] Hong Kong, October 29 (XINHUA)—The Hong Kong Government expects to expatriate all Vietnamese migrants (VM's) staying in the territory by early 1996, with a monthly record of 1,662 VM's returning to Vietnam in October, it was announced here today.

The Government Information Services Department announced in a news release that a group of 268 Vietnamese migrants, 89 men, 66 women, 61 boys and 52 girls, returned to Vietnam today.

This brings to 34,592 the total number of Vietnamese migrants who have returned under the United Nations Voluntary Repatriation Program, which was launched in May, 1989.

Noting that only 55 VM's had arrived in Hong Kong this year, the refugee coordinator Brian Bresnihan said if the current arrival and departure trends continued, the government should be in a position to close all camps in early 1996. The Vietnamese migrant population in Hong Kong camps now stands at 33,344, the lowest figure since May, 1989.

Macao

Portuguese President Leaves Macao for Home

OW3110154993 Beijing XINHUA in English 1453
GMT 31 Oct 93

[Text] Macao, October 31 (XINHUA)—Portuguese President Mario Soares left here for home this evening after a 3-day visit, saying he is optimistic about Macao's smooth transition in the next six years.

Reviewing his visit, the president said the stability and development he witnessed in Macao made him optimistic about Macao's development in the future.

He said he has sufficient reasons to believe that Macao will see a smooth transition in the next six years, adding that the Portuguese side will do what it can do for the smooth transition.

The president said that Portugal is fully confident in the development of Macao because of the friendly relations between China and Portugal. He said the two countries are cooperating with each other effectively and their friendship will be enhanced continuously.

During his third visit to Macao, the president reiterated the need to safeguard the friendly cooperation between China and Portugal and observe the Sino-Portuguese Joint Declaration so as to ensure the smooth transition of Macao.

The president visited the construction site of the Macao international airport this afternoon. He attributed the satisfactory development of the project to joint efforts by the Macao government and construction companies as well as implementation of agreements reached between China and Portugal.

The president also attended the opening ceremony of the building of the new Hong Kong-Macao ferry terminal, which has an annual capacity to handle 30 million passengers.

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